

House Engrossed Senate Bill

**FILED**  
**KEN BENNETT**  
**SECRETARY OF STATE**

State of Arizona  
Senate  
Fiftieth Legislature  
First Regular Session  
2011

CHAPTER 238

**SENATE BILL 1419**

AN ACT

AMENDING SECTION 11-251, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2010, CHAPTER 238, SECTION 1; REPEALING SECTION 11-251, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2010, CHAPTER 244, SECTION 2; AMENDING SECTION 15-185, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2010, SEVENTH SPECIAL SESSION, CHAPTER 8, SECTION 1 AND LAWS 2010, SECOND REGULAR SESSION, CHAPTER 17, SECTION 2, CHAPTER 306, SECTION 1, CHAPTER 332, SECTION 4 AND CHAPTER 333, SECTION 2; REPEALING SECTION 15-185, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2010, CHAPTER 318, SECTION 1; AMENDING SECTION 15-241, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2010, CHAPTER 333, SECTION 3; REPEALING SECTION 15-241, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2010, CHAPTER 318, SECTION 4; AMENDING SECTION 15-241, ARIZONA REVISED STATUTES, AS AMENDED BY THIS ACT; REPEALING SECTION 15-241, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2010, CHAPTER 247, SECTION 1; REPEALING SECTION 15-342, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2010, CHAPTER 117, SECTION 6; AMENDING SECTION 15-393, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2010, CHAPTER 285, SECTION 1 AND CHAPTER 306, SECTION 3; REPEALING SECTION 15-393, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2010, CHAPTER 318, SECTION 5; AMENDING SECTION 15-808, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2010, CHAPTER 306, SECTION 5; REPEALING SECTION 15-808, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2010, CHAPTER 318, SECTION 10; AMENDING SECTION 15-901, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2010, SEVENTH SPECIAL SESSION, CHAPTER 8, SECTION 2 AND LAWS 2010, SECOND REGULAR SESSION, CHAPTER 220, SECTION 2, CHAPTER 306, SECTION 6 AND CHAPTER 332, SECTION 15; REPEALING SECTION 15-901, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2010, CHAPTER

318, SECTION 12; AMENDING SECTION 15-1021, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2010, CHAPTER 17, SECTION 16; REPEALING SECTION 15-1021, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2010, CHAPTER 318, SECTION 19; AMENDING SECTION 15-1371, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2010, CHAPTER 306, SECTION 14; REPEALING SECTION 15-1371, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2010, CHAPTER 318, SECTION 20; AMENDING SECTION 15-1372, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2010, CHAPTER 306, SECTION 15; REPEALING SECTION 15-1372, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2010, CHAPTER 318, SECTION 21; AMENDING SECTION 15-1682.03, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2010, SEVENTH SPECIAL SESSION, CHAPTER 12, SECTION 8; REPEALING SECTION 15-1682.03, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2011, SECOND SPECIAL SESSION, CHAPTER 1, SECTION 9; AMENDING SECTION 15-1782, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2010, CHAPTER 257, SECTION 1; REPEALING SECTION 15-1782, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2010, CHAPTER 332, SECTION 21; AMENDING SECTION 15-1783, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2010, CHAPTER 257, SECTION 2; REPEALING SECTION 15-1783, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2010, CHAPTER 332, SECTION 22; AMENDING SECTION 26-263, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2010, CHAPTER 208, SECTION 4; REPEALING SECTION 26-263, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2010, CHAPTER 244, SECTION 30; AMENDING SECTION 32-2183, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2010, CHAPTER 144, SECTION 2; REPEALING SECTION 32-2183, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2010, CHAPTER 244, SECTION 19; REPEALING SECTION 34-201, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2010, CHAPTER 117, SECTION 12; AMENDING SECTION 37-132, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2010, CHAPTER 243, SECTION 6; REPEALING SECTION 37-132, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2010, CHAPTER 244, SECTION 27; RELATING TO MULTIPLE, DEFECTIVE AND CONFLICTING LEGISLATIVE DISPOSITIONS OF STATUTORY TEXT.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Purpose

3 1. Section 11-251, Arizona Revised Statutes, was amended by Laws 2010,  
4 chapter 238, section 1 and chapter 244, section 2. The chapter 244 version  
5 could not be blended because of the delayed effective date. In order to  
6 combine these versions, this act amends the Laws 2010, chapter 238 version of  
7 section 11-251, Arizona Revised Statutes, to incorporate the amendments made  
8 by Laws 2010, chapter 244 and the chapter 244 version is repealed.

9 2. Section 15-185, Arizona Revised Statutes, was amended by Laws 2010,  
10 seventh special session, chapter 8, section 1 and Laws 2010, second regular  
11 session, chapter 17, section 2, chapter 306, section 1, chapter 318, section  
12 1, chapter 332, section 4 and chapter 333, section 2. The chapter 318  
13 version could not be blended because of the delayed effective date. In order  
14 to combine these versions, this act amends the blend version of section  
15 15-185, Arizona Revised Statutes, to incorporate the amendments made by Laws  
16 2010, chapter 318 and the chapter 318 version is repealed.

17 3. Section 15-241, Arizona Revised Statutes, was amended by Laws 2010,  
18 chapter 247, section 1, chapter 318, section 4 and chapter 333, section 3.  
19 The chapter 247 version and the chapter 318 version could not be blended  
20 because of the delayed effective dates. In order to combine these versions,  
21 this act amends the Laws 2010, chapter 333 version of section 15-241, Arizona  
22 Revised Statutes, to incorporate the amendments made by Laws 2010, chapter  
23 318 and then amends that version of section 15-241, Arizona Revised Statutes,  
24 to incorporate the amendments made by Laws 2010, chapter 247 and the chapter  
25 318 and chapter 247 versions are repealed.

26 4. Section 15-342, Arizona Revised Statutes, was amended by Laws 2010,  
27 chapter 117, section 6 and chapter 332, sections 9 and 10. The chapter 332,  
28 section 10 version could not be blended because of the intervening amendment  
29 by chapter 332, section 9. The Laws 2010, chapter 332, section 10 version  
30 contains amendments identical to those made by the Laws 2010, chapter 117  
31 version. In order to eliminate the unnecessary duplicative version of  
32 section 15-342, Arizona Revised Statutes, this act repeals the chapter 117  
33 version.

34 5. Section 15-393, Arizona Revised Statutes, was amended by Laws 2010,  
35 chapter 285, section 1, chapter 306, section 3 and chapter 318, section 5.  
36 The chapter 318 version could not be blended because of the delayed effective  
37 date. In order to combine these versions, this act amends the blend version  
38 of section 15-393, Arizona Revised Statutes, to incorporate the amendments  
39 made by Laws 2010, chapter 318 and the chapter 318 version is repealed.

40 6. Section 15-808, Arizona Revised Statutes, was amended by Laws 2010,  
41 chapter 306, section 5 and chapter 318, section 10. The chapter 318 version  
42 could not be blended because of the delayed effective date. In order to  
43 combine these versions, this act amends the chapter 306 version of section  
44 15-808, Arizona Revised Statutes, to incorporate the amendments made by Laws  
45 2010, chapter 318 and the chapter 318 version is repealed.

1       7. Section 15-901, Arizona Revised Statutes, was amended by Laws 2010,  
2 seventh special session, chapter 8, section 2 and Laws 2010, second regular  
3 session, chapter 220, section 2, chapter 306, section 6, chapter 318, section  
4 12 and chapter 332, section 15. The chapter 318 version could not be blended  
5 because of the delayed effective date. In order to combine these versions,  
6 this act amends the blend version of section 15-901, Arizona Revised  
7 Statutes, to incorporate the amendments made by Laws 2010, chapter 318 and  
8 the chapter 318 version is repealed.

9       8. Section 15-1021, Arizona Revised Statutes, was amended by Laws  
10 2010, chapter 318, section 19. However, this version did not reflect the  
11 previous valid version of the section. In order to comply with article IV,  
12 part 2, section 14, Constitution of Arizona, this act amends section 15-1021,  
13 Arizona Revised Statutes, as amended by Laws 2010, chapter 17, section 16, to  
14 incorporate the amendments made by Laws 2010, chapter 318 and the chapter 318  
15 version is repealed.

16       9. Section 15-1371, Arizona Revised Statutes, was amended by Laws  
17 2010, chapter 306, section 14 and chapter 318, section 20. The chapter 318  
18 version could not be blended because of the delayed effective date. In order  
19 to combine these versions, this act amends the chapter 306 version of section  
20 15-1371, Arizona Revised Statutes, to incorporate the amendments made by Laws  
21 2010, chapter 318 and the chapter 318 version is repealed.

22       10. Section 15-1372, Arizona Revised Statutes, was amended by Laws  
23 2010, chapter 306, section 15 and chapter 318, section 21. The chapter 318  
24 version could not be blended because of the delayed effective date. In order  
25 to combine these versions, this act amends the chapter 306 version of section  
26 15-1372, Arizona Revised Statutes, to incorporate the amendments made by Laws  
27 2010, chapter 318 and the chapter 318 version is repealed.

28       11. Section 15-1682.03, Arizona Revised Statutes, was amended by Laws  
29 2011, second special session, chapter 1, section 9. However, this section  
30 was erroneously identified in the title of the act potentially in violation  
31 of article IV, part 2, section 13, Constitution of Arizona. In order to  
32 correct a potentially defective enactment, this act amends the previous valid  
33 version of section 15-1682.03, Arizona Revised Statutes, to incorporate the  
34 amendments made by Laws 2011, second special session, chapter 1 and the  
35 chapter 1 version is repealed.

36       12. Section 15-1782, Arizona Revised Statutes, was amended by Laws  
37 2010, chapter 257, section 1 and chapter 332, section 21. The chapter 332  
38 version could not be blended because of the delayed effective date. In order  
39 to combine these versions, this act amends the chapter 257 version of section  
40 15-1782, Arizona Revised Statutes, to incorporate the amendments made by  
41 chapter 332 and the chapter 332 version is repealed.

42       13. Section 15-1783, Arizona Revised Statutes, was amended by Laws  
43 2010, chapter 257, section 2 and chapter 332, section 22. The chapter 332  
44 version could not be blended because of the delayed effective date. In order  
45 to combine these versions, this act amends the chapter 257 version of section

1 15-1783, Arizona Revised Statutes, to incorporate the amendments made by Laws  
2 2010, chapter 332 and the chapter 332 version is repealed.

3 14. Section 41-1512.02, Arizona Revised Statutes, was renumbered as  
4 section 26-263, Arizona Revised Statutes, and amended by Laws 2010, chapter  
5 208, section 4 and amended by chapter 244, section 30. The chapter 244  
6 version could not be blended because of the delayed effective date. In order  
7 to combine these versions, this act amends the chapter 208 version of section  
8 26-263, Arizona Revised Statutes, to incorporate the amendments made by Laws  
9 2010, chapter 244 and the chapter 244 version is repealed.

10 15. Section 32-2183, Arizona Revised Statutes, was amended by Laws  
11 2010, chapter 144, section 2 and chapter 244, section 19. The chapter 244  
12 version could not be blended because of the delayed effective date. In order  
13 to combine these versions, this act amends the chapter 144 version of section  
14 32-2183, Arizona Revised Statutes, to incorporate the amendments made by Laws  
15 2010, chapter 244 and the chapter 244 version is repealed.

16 16. Section 34-201, Arizona Revised Statutes, was amended by Laws 2010,  
17 chapter 117, section 12 and chapter 244, sections 23 and 24. The chapter  
18 244, section 24 version could not be blended because of the intervening  
19 amendment by chapter 244, section 23. The Laws 2010, chapter 244, section 24  
20 version contains amendments identical to those made by the Laws 2010, chapter  
21 117 version. In order to eliminate the unnecessary duplicative version of  
22 section 34-201, Arizona Revised Statutes, this act repeals the chapter 117  
23 version.

24 17. Section 37-132, Arizona Revised Statutes, was amended by Laws 2010,  
25 chapter 243, section 6 and chapter 244, section 27. The chapter 244 version  
26 could not be blended because of the delayed effective date. In order to  
27 combine these versions, this act amends the chapter 243 version of section  
28 37-132, Arizona Revised Statutes, to incorporate the amendments made by Laws  
29 2010, chapter 244 and the chapter 244 version is repealed.

30 Sec. 2. Section 11-251, Arizona Revised Statutes, as amended by Laws  
31 2010, chapter 238, section 1, is amended to read:

32 11-251. Powers of board

33 The board of supervisors, under such limitations and restrictions as  
34 are prescribed by law, may:

35 1. Supervise the official conduct of all county officers and officers  
36 of all districts and other subdivisions of the county charged with assessing,  
37 collecting, safekeeping, managing or disbursing the public revenues, see that  
38 such officers faithfully perform their duties and direct prosecutions for  
39 delinquencies, and, when necessary, require the officers to renew their  
40 official bonds, make reports and present their books and accounts for  
41 inspection.

42 2. Divide the counties into such districts or precincts as required by  
43 law, change them and create others as convenience requires.

1           3. Establish, abolish and change election precincts, appoint  
2 inspectors and judges of elections, canvass election returns, declare the  
3 result and issue certificates thereof.

4           4. Lay out, maintain, control and manage public roads, ferries and  
5 bridges within the county and levy such tax for that purpose as may be  
6 authorized by law.

7           5. Provide for the care and maintenance of the sick of the county,  
8 erect and maintain hospitals for that purpose and, in its discretion, provide  
9 a farm in connection with the county hospital and adopt ordinances for  
10 working the farm.

11          6. Provide suitable rooms for county purposes.

12          7. Purchase, receive by donation or lease real or personal property  
13 necessary for the use of the county prison and take care of, manage and  
14 control the property, but no purchase of real property shall be made unless  
15 the value has been previously estimated by three disinterested citizens of  
16 the county, appointed by the board for that purpose, and no more than the  
17 appraised value shall be paid for the property.

18          8. Cause to be erected and furnished a courthouse, jail and hospital  
19 and such other buildings as necessary, and construct and establish a branch  
20 jail, when necessary, at a point distant from the county seat.

21          9. Sell at public auction, after thirty days' previous notice given by  
22 publication in a newspaper of the county, stating the time and place of the  
23 auction, and convey to the highest bidder, for cash or contract of purchase  
24 extending not more than ten years from the date of sale and upon such terms  
25 and conditions and for such consideration as the board shall prescribe, any  
26 property belonging to the county that the board deems advantageous for the  
27 county to sell, or that the board deems unnecessary for use by the county,  
28 and shall pay the proceeds thereof into the county treasury for use of the  
29 county, except that personal property need not be sold but may be used as a  
30 trade-in on the purchase of personal property when the board deems this  
31 disposition of the personal property to be in the best interests of the  
32 county. When the property for sale is real property, the board shall have  
33 such property appraised by a qualified independent fee appraiser who has an  
34 office located in this state. The appraiser shall establish a minimum price,  
35 which shall not be less than ninety per cent of the appraised value. The  
36 notice regarding the sale of real property shall be published in the county  
37 where the property is situated and may be published in one or more other  
38 counties, and shall contain, among other things, the appraised value, the  
39 minimum acceptable sale price, and the common and legal description of the  
40 real property. Notwithstanding the requirement for a sale at public auction  
41 prescribed in this paragraph, a county and with unanimous consent of the  
42 board, without a public auction, may sell or lease any county property to any  
43 other duly constituted governmental entity, including the state, cities,  
44 towns and other counties. A county and with unanimous consent of the board,  
45 AND without public auction, may grant an easement on county property for

1 public purposes to a utility as defined in section 40-491. A county and with  
2 unanimous consent of the board, without public auction, may sell or lease any  
3 county property for a specific use to any solely charitable, social or  
4 benevolent nonprofit organization incorporated or operating in this state. A  
5 county may dispose of surplus equipment and materials that have little or no  
6 value or that are unauctionable in any manner authorized by the board.

7 10. Examine and exhibit the accounts and performance of all officers  
8 having the care, management, collection or disbursement of monies belonging  
9 to the county or appropriated by law or otherwise for the use and benefit of  
10 the county. The working papers and other audit files in an examination and  
11 audit of the accounts and performance of a county officer are not public  
12 records and are exempt from title 39, chapter 1. The information contained  
13 in the working papers and audit files prepared pursuant to a specific  
14 examination or audit is not subject to disclosure, except to the county  
15 attorney and the attorney general in connection with an investigation or  
16 action taken in the course of their official duties.

17 11. Examine, settle and allow all accounts legally chargeable against  
18 the county, order warrants to be drawn on the county treasurer for that  
19 purpose and provide for issuing the warrants.

20 12. Levy such tax annually on the taxable property of the county as may  
21 be necessary to defray the general current expenses thereof, including  
22 salaries otherwise unprovided for, and levy such other taxes as are required  
23 to be levied by law.

24 13. Equalize assessments.

25 14. Direct and control the prosecution and defense of all actions to  
26 which the county is a party, and compromise them.

27 15. Insure the county buildings in the name of and for the benefit of  
28 the county.

29 16. Fill by appointment all vacancies occurring in county or precinct  
30 offices.

31 17. Adopt provisions necessary to preserve the health of the county,  
32 and provide for the expenses thereof.

33 18. With the approval of the department of health services, contract  
34 with any qualified person to provide all or part of the health services,  
35 funded through the department of health services with federal or state  
36 monies, that the board in its discretion extends to residents of the county.

37 19. Contract for county printing and advertising, and provide books and  
38 stationery for county officers.

39 20. Provide for rebinding county records, or, if necessary, the  
40 transcribing of county records.

41 21. Make and enforce necessary rules and regulations for the government  
42 of its body, the preservation of order and the transaction of business.

43 22. Adopt a seal for the board, a description and impression of which  
44 shall be filed by the clerk in the office of the county recorder and the  
45 secretary of state.

1       23. Establish, maintain and conduct or aid in establishing, maintaining  
2 and conducting public aviation fields, purchase, receive by donation or lease  
3 any property necessary for that purpose, lease, at a nominal rental if  
4 desired, sell such aviation fields or property to the United States or any  
5 department, or sell or lease such aviation fields to a city, exchange lands  
6 acquired pursuant to this section for other lands, or act in conjunction with  
7 the United States in maintaining, managing and conducting all such property.  
8 If any such property or part of that property is not needed for these  
9 purposes, it shall be sold by the board and the proceeds shall be paid into  
10 the general fund of the county.

11       24. Acquire and hold property for the use of county fairs, and conduct,  
12 take care of and manage them.

13       25. Authorize the sheriff to offer a reward, not exceeding ten thousand  
14 dollars in one case, for information leading to the arrest and conviction of  
15 persons charged with crime.

16       26. Contract for the transportation of insane persons to the state  
17 hospital or direct the sheriff to transport such persons. The county is  
18 responsible for such expense to the extent the expense is not covered by any  
19 third party payor.

20       27. Provide for the reasonable expenses of burial for deceased  
21 indigents as provided in section 36-831 and maintain a permanent register of  
22 deceased indigents, including name, age and date of death, and when burial  
23 occurs, the board shall mark the grave with a permanent marker giving the  
24 name, age, and date of birth, if known.

25       28. Sell or grant to the United States the title or interest of the  
26 county in any toll road or toll train in or partly within a national park,  
27 upon such terms and consideration as may be agreed upon by the board and the  
28 secretary of the interior of the United States.

29       29. Enter into agreements for acquiring rights-of-way, construction,  
30 reconstruction or maintenance of highways in their respective counties,  
31 including highways that pass through Indian reservations, with the government  
32 of the United States, acting through its duly authorized officers or agents  
33 pursuant to any act of Congress, except that the governing body of any Indian  
34 tribe whose lands are affected must consent to the use of its land, and any  
35 such agreements entered into before June 26, 1952 are validated and  
36 confirmed.

37       30. Do and perform all other acts and things necessary to the full  
38 discharge of its duties as the legislative authority of the county  
39 government, including receiving and accepting payment of monies by credit  
40 card or debit card, or both. Any fees or costs incurred by the use of the  
41 credit or debit card shall be paid by the person tendering payment unless the  
42 charging entity determines that the financial benefits of accepting credit  
43 cards or debit cards exceeds the additional processing fees.

44       31. Make and enforce all local, police, sanitary and other regulations  
45 not in conflict with general law.



1        32. Budget for funds for foster home care during the school week for  
2 mentally retarded and otherwise handicapped children who reside within the  
3 county and attend a school for the handicapped in a city or town within such  
4 county.

5        33. Do and perform all acts necessary to enable the county to  
6 participate in the economic opportunity act of 1964 (P.L. 88-452; 78 Stat.  
7 508), as amended.

8        34. Provide a plan or plans for its employees that provide tax deferred  
9 annuity and deferred compensation plans as authorized pursuant to title 26,  
10 United States Code. Such plans shall allow voluntary participation by all  
11 employees of the county. Participating employees shall authorize the board  
12 to make reductions in their remuneration as provided in an executed deferred  
13 compensation agreement.

14        35. Adopt and enforce standards for shielding and filtration of  
15 commercial or public outdoor portable or permanent light fixtures in  
16 proximity to astronomical or meteorological laboratories.

17        36. Subject to the prohibitions, restrictions and limitations as set  
18 forth in section ~~11-830~~ 11-812, adopt and enforce standards for excavation,  
19 landfill and grading to prevent unnecessary loss from erosion, flooding and  
20 landslides.

21        37. Make and enforce necessary ordinances for the operation and  
22 licensing of any establishment not in the limits of an incorporated city or  
23 town in which is carried on the business of providing baths, showers or other  
24 forms of hydrotherapy or any service of manual massage of the human body.

25        38. Provide pecuniary compensation as salary or wages for overtime work  
26 performed by county employees, including those employees covered by title 23,  
27 chapter 2, article 9. In so providing, the board may establish salary and  
28 wage plans incorporating classifications and conditions prescribed by the  
29 federal fair labor standards act.

30        39. Establish, maintain and operate facilities that provide for  
31 physical evaluation, diagnosis and treatment of patients and that do not keep  
32 patients overnight as bed patients or treat patients under general  
33 anesthesia.

34        40. Enact ordinances under its police authority prescribing reasonable  
35 curfews in the entire unincorporated area or any area less than the entire  
36 unincorporated area of the county for minors and fines not to exceed the fine  
37 for a petty offense for violation of such ordinances. Nothing in this  
38 paragraph shall be construed to require a request from an association or a  
39 majority of the residents of an area before the board may enact an ordinance  
40 applicable to the entire or any portion of the unincorporated area. An  
41 ordinance enacted pursuant to this paragraph shall provide that a minor is  
42 not violating a curfew if the minor is accompanied by a parent, a guardian or  
43 an adult having supervisory custody, is on an emergency errand or has been  
44 specifically directed to the location on reasonable, legitimate business or  
45 some other activity by the parent, guardian or adult having supervisory

1 custody. If no curfew ordinance is applicable to a particular unincorporated  
2 area of the county, the board may adopt a curfew ordinance on the request or  
3 petition of either:

4 (a) A homeowners' association that represents a majority of the  
5 homeowners in the area covered by the association and to which the curfew  
6 would apply.

7 (b) A majority of the residents of the area to which the curfew would  
8 apply.

9 41. Lease or sublease personal property owned by the county to other  
10 political subdivisions of this state to be used for a public purpose.

11 42. In addition to the agreements authorized by section 11-651, enter  
12 into long-term agreements for the purchase of personal property, provided  
13 that the board may cancel any such agreement at the end of a fiscal year, at  
14 which time the seller may repossess the property and the agreement shall be  
15 deemed terminated.

16 43. Make and enforce necessary ordinances not in conflict with the laws  
17 of this state to regulate off-road recreational motor vehicles that are  
18 operated within the county on public lands without lawful authority or on  
19 private lands without the consent of the lawful owner or that generate air  
20 pollution. For the purposes of this paragraph, "off-road recreational motor  
21 vehicle" means three and four wheel vehicles manufactured for recreational  
22 nonhighway all terrain travel.

23 44. Acquire land for roads, drainage ways and other public purposes by  
24 exchange without public auction, except that notice shall be published thirty  
25 days before the exchange, listing the property ownership and descriptions.

26 45. Purchase real property for public purposes, provided that final  
27 payment shall be made not later than five years after the date of purchase.

28 46. Lease-purchase real property and improvements for real property for  
29 public purposes, provided that final payment shall be made not later than  
30 twenty-five years after the date of purchase. Any increase in the final  
31 payment date from fifteen years up to the maximum of twenty-five years shall  
32 be made only on unanimous approval by the board of supervisors.

33 47. Make and enforce ordinances for the protection and disposition of  
34 domestic animals subject to inhumane, unhealthful or dangerous conditions or  
35 circumstances provided that nothing in this paragraph limits or restricts the  
36 authority granted to incorporated cities and towns or counties pursuant to  
37 section 13-2910. An ordinance enacted pursuant to this paragraph shall not  
38 restrict or limit the authority of the game and fish commission to regulate  
39 the taking of wildlife. For the purposes of this paragraph, "domestic  
40 animal" means an animal kept as a pet and not primarily for economic  
41 purposes.

42 48. If a part of a parcel of land is to be taken for roads, drainage,  
43 flood control or other public purposes and the board and the affected  
44 property owner determine that the remainder will be left in such a condition  
45 as to give rise to a claim or litigation concerning severance or other

1 damage, acquire the whole parcel by purchase, donation, dedication, exchange,  
2 condemnation or other lawful means, and the remainder may be sold or  
3 exchanged for other properties needed for any public purpose.

4 49. Make and enforce necessary rules providing for the reimbursement of  
5 travel and subsistence expenses of members of county boards, commissions and  
6 advisory committees when acting in the performance of their duties, if the  
7 board, commission or advisory committee is authorized or required by federal  
8 or state law or county ordinance, and the members serve without compensation.

9 50. Provide a plan or plans for county employee benefits that allow for  
10 participation in a cafeteria plan that meets the requirements of the United  
11 States internal revenue code of 1986.

12 51. Provide for fringe benefits for county employees, including sick  
13 leave, personal leave, vacation and holiday pay and jury duty pay.

14 52. Make and enforce ordinances that are more restrictive than state  
15 requirements to reduce or encourage the reduction of carbon monoxide and  
16 ozone levels, provided an ordinance does not establish a standard for  
17 vehicular emissions, including ordinances to reduce or encourage the  
18 reduction of the commuter use of motor vehicles by employees of the county  
19 and employees whose place of employment is in unincorporated areas of the  
20 county.

21 53. Make and enforce ordinances to provide for the reimbursement of up  
22 to one hundred per cent of the cost to county employees of public bus or van  
23 pool transportation to and from their place of employment.

24 54. Lease for public purposes any real property, improvements for real  
25 property and personal property under the same terms and conditions, to the  
26 extent applicable, as are specified in sections 11-651 and 11-653 for  
27 lease-purchases.

28 55. Enact ordinances prescribing regulation of alarm systems and  
29 providing for civil penalties to reduce the incidence of false alarms at  
30 business and residential structures relating to burglary, robbery, fire and  
31 other emergencies not within the limits of an incorporated city or town.

32 56. In addition to paragraph 9 of this section, and notwithstanding  
33 section 23-504, sell or dispose of, at no less than fair market value, county  
34 personal property that the board deems no longer useful or necessary through  
35 a retail outlet or to another government entity if the personal property has  
36 a fair market value of no more than one thousand dollars, or by retail sale  
37 or private bid, if the personal property has a fair market value of no more  
38 than fifteen thousand dollars. Notice of sales in excess of one thousand  
39 dollars shall include a description and sale price of each item and shall be  
40 published in a newspaper of general circulation in the county, and for thirty  
41 days after notice other bids may be submitted that exceed the sale price by  
42 at least five per cent. The county shall select the highest bid received at  
43 the end of the thirty day period.

1       57. Sell services, souvenirs, sundry items or informational  
2 publications that are uniquely prepared for use by the public and by  
3 employees and license and sell information systems and intellectual property  
4 developed from county resources that the county is not obligated to provide  
5 as a public record.

6       58. On unanimous consent of the board of supervisors, license, lease or  
7 sell any county property pursuant to paragraphs 56 and 57 of this section at  
8 less than fair market value to any other governmental entity, including this  
9 state, cities, towns, public improvement districts or other counties within  
10 or outside of this state, or for a specific purpose to any charitable, social  
11 or benevolent nonprofit organization incorporated or operating in this state.

12       59. On unanimous consent of the board of supervisors, provide technical  
13 assistance and related services to a fire district pursuant to an  
14 intergovernmental agreement.

15       60. Adopt contracting procedures for the operation of a county health  
16 system pursuant to section 11-291. Before the adoption of contracting  
17 procedures the board shall hold a public hearing. The board shall publish  
18 one notification in a newspaper of general circulation in the county seat at  
19 least fifteen days before the hearing.

20       61. Enter into an intergovernmental agreement pursuant to chapter 7,  
21 article 3 of this title for a city or town to provide emergency fire or  
22 emergency medical services pursuant to section 9-500.23 to a county island as  
23 defined in section 11-251.12. The board may charge the owners of record in  
24 the county island a fee to cover the cost of an intergovernmental agreement  
25 that provides fire and emergency medical services.

26       62. In counties that employ or have designated an animal control county  
27 enforcement agent pursuant to section 11-1005, enter into agreements with  
28 foundations or charitable organizations to solicit donations, property or  
29 services, excluding enforcement or inspection services, for use by the county  
30 enforcement agent solely to perform nonmandated services and to fund capital  
31 improvements for county animal control, subject to annual financial and  
32 performance audits by an independent party as designated by the county board  
33 of supervisors. For the purposes of this paragraph, nonmandated services are  
34 limited to low cost spay and neuter services, public education and outreach  
35 efforts, pet adoption efforts, care for pets that are victims of cruelty or  
36 neglect and support for volunteer programs.

37       63. Adopt and provide for the enforcement of ordinances prohibiting  
38 open fires and campfires on designated lands in the unincorporated areas of  
39 the county when a determination of emergency is issued by the county  
40 emergency management officer and the board deems it necessary to protect  
41 public health and safety on those lands.

42       64. Fix the amount of license fees to be paid by any person, firm,  
43 corporation or association for carrying on any game or amusement business in  
44 unincorporated areas of the county and prescribe the method of collection or  
45 payment of those fees, for a stated period in advance, and fix penalties for

1 failure to comply by fine. Nothing in this article shall be construed as  
2 authorizing any county to require an occupational license or fee for any  
3 activity if state law precludes requiring such a license or fee.

4 65. Adopt and enforce ordinances for the prevention, abatement and  
5 removal of graffiti, providing that any restrictions on the retail display of  
6 potential graffiti tools be limited to any of the following, as determined by  
7 the retail business:

8 (a) In a place that is in the line of sight of a cashier or in the  
9 line of sight from a work station normally continuously occupied during  
10 business hours.

11 (b) In a manner that makes the product accessible to a patron of the  
12 business establishment only with the assistance of an employee of the  
13 establishment.

14 (c) In an area electronically protected, or viewed by surveillance  
15 equipment that is monitored, during business hours.

16 66. Adopt ordinances and fees related to the implementation of a local  
17 stormwater quality program pursuant to title 49, chapter 2, article 11.

18 Sec. 3. Repeal

19 Section 11-251, Arizona Revised Statutes, as amended by Laws 2010,  
20 chapter 244, section 2, is repealed.

21 Sec. 4. Section 15-185, Arizona Revised Statutes, as amended by Laws  
22 2010, seventh special session, chapter 8, section 1 and Laws 2010, second  
23 regular session, chapter 17, section 2, chapter 306, section 1, chapter 332,  
24 section 4 and chapter 333, section 2, is amended to read:

25 15-185. Charter schools; financing; civil penalty;  
26 transportation; definitions

27 A. Financial provisions for a charter school that is sponsored by a  
28 school district governing board are as follows:

29 1. The charter school shall be included in the district's budget and  
30 financial assistance calculations pursuant to paragraph 3 of this subsection  
31 and chapter 9 of this title, except for chapter 9, article 4 of this title.  
32 The charter of the charter school shall include a description of the methods  
33 of funding the charter school by the school district. The school district  
34 shall send a copy of the charter and application, including a description of  
35 how the school district plans to fund the school, to the state board of  
36 education before the start of the first fiscal year of operation of the  
37 charter school. The charter or application shall include an estimate of the  
38 student count for the charter school for its first fiscal year of operation.  
39 This estimate shall be computed pursuant to the requirements of paragraph 3  
40 of this subsection.

41 2. A school district is not financially responsible for any charter  
42 school that is sponsored by the state board of education, the state board for  
43 charter schools, a university under the jurisdiction of the Arizona board of  
44 regents, a community college district or a group of community college  
45 districts.

1           3. A school district that sponsors a charter school may:

2           (a) Increase its student count as provided in subsection B, paragraph  
3 2 of this section during the first year of the charter school's operation to  
4 include those charter school pupils who were not previously enrolled in the  
5 school district. A charter school sponsored by a school district governing  
6 board is eligible for the assistance prescribed in subsection B, paragraph 4  
7 of this section. The soft capital allocation as provided in section 15-962  
8 for the school district sponsoring the charter school shall be increased by  
9 the amount of the additional assistance. The school district shall include  
10 the full amount of the additional assistance in the funding provided to the  
11 charter school.

12           (b) Compute separate weighted student counts pursuant to section  
13 15-943, paragraph 2, subdivision (a) for its noncharter school versus charter  
14 school pupils in order to maintain eligibility for small school district  
15 support level weights authorized in section 15-943, paragraph 1 for its  
16 noncharter school pupils only. The portion of a district's student count  
17 that is attributable to charter school pupils is not eligible for small  
18 school district support level weights.

19           4. If a school district uses the provisions of paragraph 3 of this  
20 subsection, the school district is not eligible to include those pupils in  
21 its student count for the purposes of computing an increase in its revenue  
22 control limit and district support level as provided in section 15-948.

23           5. A school district that sponsors a charter school is not eligible to  
24 include the charter school pupils in its student count for the purpose of  
25 computing an increase in its capital outlay revenue limit as provided in  
26 section 15-961, subsection C, except that if the charter school was  
27 previously a school in the district, the district may include in its student  
28 count any charter school pupils who were enrolled in the school district in  
29 the prior year.

30           6. A school district that sponsors a charter school is not eligible to  
31 include the charter school pupils in its student count for the purpose of  
32 computing the revenue control limit which is used to determine the maximum  
33 budget increase as provided in chapter 4, article 4 of this title unless the  
34 charter school is located within the boundaries of the school district.

35           7. If a school district converts one or more of its district public  
36 schools to a charter school and receives assistance as prescribed in  
37 subsection B, paragraph 4 of this section, and subsequently converts the  
38 charter school back to a district public school, the school district shall  
39 repay the state the total additional assistance received for the charter  
40 school for all years that the charter school was in operation. The repayment  
41 shall be in one lump sum and shall be reduced from the school district's  
42 current year equalization assistance. The school district's general budget  
43 limit shall be reduced by the same lump sum amount in the current year.

44           B. Financial provisions for a charter school that is sponsored by the  
45 state board of education, the state board for charter schools, a university,

1 a community college district or a group of community college districts are as  
2 follows:

3 1. The charter school shall calculate a base support level as  
4 prescribed in section 15-943, except that section 15-941 does not apply to  
5 these charter schools.

6 2. Notwithstanding paragraph 1 of this subsection, the student count  
7 shall be determined initially using an estimated student count based on  
8 actual registration of pupils before the beginning of the school year. After  
9 the first one hundred days or two hundred days in session, as applicable, the  
10 charter school shall revise the student count to be equal to the actual  
11 average daily membership, as defined in section 15-901, ~~or the adjusted~~  
12 ~~average daily membership, as prescribed in section 15-902,~~ of the charter  
13 school. ~~A charter school that provides two hundred days of instruction may~~  
14 ~~use section 15-902.02 for the purposes of this section.~~ Before the one  
15 hundredth day or two hundredth day in session, as applicable, the state board  
16 of education, the state board for charter schools, the sponsoring university,  
17 the sponsoring community college district or the sponsoring group of  
18 community college districts may require a charter school to report  
19 periodically regarding pupil enrollment and attendance, and the department of  
20 education may revise its computation of equalization assistance based on the  
21 report. A charter school shall revise its student count, base support level  
22 and additional assistance before May 15. A charter school that overestimated  
23 its student count shall revise its budget before May 15. A charter school  
24 that underestimated its student count may revise its budget before May 15.

25 3. A charter school may utilize section 15-855 for the purposes of  
26 this section. The charter school and the department of education shall  
27 prescribe procedures for determining ~~average daily attendance and average~~  
28 ~~daily membership.~~

29 4. Equalization assistance for the charter school shall be determined  
30 by adding the amount of the base support level and additional assistance.  
31 The amount of the additional assistance is one thousand six hundred seven  
32 dollars fifty cents per student count in kindergarten programs and grades one  
33 through eight and one thousand eight hundred seventy-three dollars fifty-two  
34 cents per student count in grades nine through twelve.

35 5. The state board of education shall apportion state aid from the  
36 appropriations made for such purposes to the state treasurer for disbursement  
37 to the charter schools in each county in an amount as determined by this  
38 paragraph. The apportionments shall be made as prescribed in section 15-973,  
39 subsection B.

40 6. The charter school shall not charge tuition for pupils who reside  
41 in this state, levy taxes or issue bonds. A charter school may admit pupils  
42 who are not residents of this state and shall charge tuition for those pupils  
43 in the same manner prescribed in section 15-823.

44 7. Not later than noon on the day preceding each apportionment date  
45 established by paragraph 5 of this subsection, the superintendent of public

1 instruction shall furnish to the state treasurer an abstract of the  
2 apportionment and shall certify the apportionment to the department of  
3 administration, which shall draw its warrant in favor of the charter schools  
4 for the amount apportioned.

5 C. If a pupil is enrolled in both a charter school and a public school  
6 that is not a charter school, the sum of the daily membership, which includes  
7 enrollment as prescribed in section 15-901, subsection A, paragraph 2- 1,  
8 subdivisions (a) and (b) and daily attendance as prescribed in section  
9 15-901, subsection A, paragraph 6- 5, for that pupil in the school district  
10 and the charter school shall not exceed 1.0, except that if the pupil is  
11 enrolled in both a charter school and a joint technical education district  
12 and resides within the boundaries of a school district participating in the  
13 joint technical education district, the sum of the average daily membership  
14 for that pupil in the charter school and the joint technical education  
15 district shall not exceed 1.25. If a pupil is enrolled in both a charter  
16 school and a public school that is not a charter school, the department of  
17 education shall direct the average daily membership to the school with the  
18 most recent enrollment date. Upon validation of actual enrollment in both a  
19 charter school and a public school that is not a charter school and if the  
20 sum of the daily membership or daily attendance for that pupil is greater  
21 than 1.0, the sum shall be reduced to 1.0 and shall be apportioned between  
22 the public school and the charter school based on the percentage of total  
23 time that the pupil is enrolled or in attendance in the public school and the  
24 charter school, except that if the pupil is enrolled in both a charter school  
25 and a joint technical education district and resides within the boundaries of  
26 a school district participating in the joint technical education district,  
27 the sum of the average daily membership for that pupil in the charter school  
28 and the joint technical education district shall be reduced to 1.25 and shall  
29 be apportioned between the charter school and the joint technical education  
30 district based on the percentage of total time that the pupil is enrolled or  
31 in attendance in the charter school and the joint technical education  
32 district. The uniform system of financial records shall include guidelines  
33 for the apportionment of the pupil enrollment and attendance as provided in  
34 this section.

35 D. Charter schools are allowed to accept grants and gifts to  
36 supplement their state funding, but it is not the intent of the charter  
37 school law to require taxpayers to pay twice to educate the same pupils. The  
38 base support level for a charter school or for a school district sponsoring a  
39 charter school shall be reduced by an amount equal to the total amount of  
40 monies received by a charter school from a federal or state agency if the  
41 federal or state monies are intended for the basic maintenance and operations  
42 of the school. The superintendent of public instruction shall estimate the  
43 amount of the reduction for the budget year and shall revise the reduction to  
44 reflect the actual amount before May 15 of the current year. If the



1 reduction results in a negative amount, the negative amount shall be used in  
2 computing all budget limits and equalization assistance, except that:

3 1. Equalization assistance shall not be less than zero.

4 2. For a charter school sponsored by the state board of education, the  
5 state board for charter schools, a university, a community college district  
6 or a group of community college districts, the total of the base support  
7 level and the additional assistance shall not be less than zero.

8 3. For a charter school sponsored by a school district, the base  
9 support level for the school district shall not be reduced by more than the  
10 amount that the charter school increased the district's base support level,  
11 capital outlay revenue limit and soft capital allocation.

12 E. If a charter school was a district public school in the prior year  
13 and is now being operated for or by the same school district and sponsored by  
14 the state board of education, the state board for charter schools, a  
15 university, a community college district, a group of community college  
16 districts or a school district governing board, the reduction in subsection D  
17 of this section applies. The reduction to the base support level of the  
18 charter school or the sponsoring district of the charter school shall equal  
19 the sum of the base support level and the additional assistance received in  
20 the current year for those pupils who were enrolled in the traditional public  
21 school in the prior year and are now enrolled in the charter school in the  
22 current year.

23 F. Equalization assistance for charter schools shall be provided as a  
24 single amount based on average daily membership without categorical  
25 distinctions between maintenance and operations or capital.

26 G. At the request of a charter school, the county school  
27 superintendent of the county where the charter school is located may provide  
28 the same educational services to the charter school as prescribed in section  
29 15-308, subsection A. The county school superintendent may charge a fee to  
30 recover costs for providing educational services to charter schools.

31 H. If the sponsor of the charter school determines at a public meeting  
32 that the charter school is not in compliance with federal law, with the laws  
33 of this state or with its charter, the sponsor of a charter school may submit  
34 a request to the department of education to withhold up to ten per cent of  
35 the monthly apportionment of state aid that would otherwise be due the  
36 charter school. The department of education shall adjust the charter  
37 school's apportionment accordingly. The sponsor shall provide written notice  
38 to the charter school at least seventy-two hours before the meeting and shall  
39 allow the charter school to respond to the allegations of noncompliance at  
40 the meeting before the sponsor makes a final determination to notify the  
41 department of education of noncompliance. The charter school shall submit a  
42 corrective action plan to the sponsor on a date specified by the sponsor at  
43 the meeting. The corrective action plan shall be designed to correct  
44 deficiencies at the charter school and to ensure that the charter school  
45 promptly returns to compliance. When the sponsor determines that the charter

1 school is in compliance, the department of education shall restore the full  
2 amount of state aid payments to the charter school.

3 I. In addition to the withholding of state aid payments pursuant to  
4 subsection H of this section, the sponsor of a charter school may impose a  
5 civil penalty of one thousand dollars per occurrence if a charter school  
6 fails to comply with the fingerprinting requirements prescribed in section  
7 15-183, subsection C or section 15-512. The sponsor of a charter school  
8 shall not impose a civil penalty if it is the first time that a charter  
9 school is out of compliance with the fingerprinting requirements and if the  
10 charter school provides proof within forty-eight hours of written  
11 notification that an application for the appropriate fingerprint check has  
12 been received by the department of public safety. The sponsor of the charter  
13 school shall obtain proof that the charter school has been notified, and the  
14 notification shall identify the date of the deadline and shall be signed by  
15 both parties. The sponsor of a charter school shall automatically impose a  
16 civil penalty of one thousand dollars per occurrence if the sponsor  
17 determines that the charter school subsequently violates the fingerprinting  
18 requirements. Civil penalties pursuant to this subsection shall be assessed  
19 by requesting the department of education to reduce the amount of state aid  
20 that the charter school would otherwise receive by an amount equal to the  
21 civil penalty. The amount of state aid withheld shall revert to the state  
22 general fund at the end of the fiscal year.

23 J. A charter school may receive and spend monies distributed by the  
24 department of education pursuant to section 42-5029, subsection E and section  
25 37-521, subsection B.

26 K. If a school district transports or contracts to transport pupils to  
27 the Arizona state schools for the deaf and the blind during any fiscal year,  
28 the school district may transport or contract with a charter school to  
29 transport sensory impaired pupils during that same fiscal year to a charter  
30 school if requested by the parent of the pupil and if the distance from the  
31 pupil's place of actual residence within the school district to the charter  
32 school is less than the distance from the pupil's place of actual residence  
33 within the school district to the campus of the Arizona state schools for the  
34 deaf and the blind.

35 L. Notwithstanding any other law, a university under the jurisdiction  
36 of the Arizona board of regents, a community college district or a group of  
37 community college districts shall not include any student in the student  
38 count of the university, community college district or group of community  
39 college districts for state funding purposes if that student is enrolled in  
40 and attending a charter school sponsored by the university, community college  
41 district or group of community college districts.

42 M. The governing body of a charter school shall transmit a copy of its  
43 proposed budget or the summary of the proposed budget and a notice of the  
44 public hearing to the department of education for posting on the department  
45 of education's website no later than ten days before the hearing and meeting.

1 If the charter school maintains a website, the charter school governing body  
2 shall post on its website a copy of its proposed budget or the summary of the  
3 proposed budget and a notice of the public hearing.

4 N. The governing body of a charter school may contract with the  
5 private organization that is approved by the state board of education  
6 pursuant to section 15-792.02 to provide approved board examination systems  
7 for the charter school.

8 O. For the purposes of this section:

9 1. "Monies intended for the basic maintenance and operations of the  
10 school" means monies intended to provide support for the educational program  
11 of the school, except that it does not include supplemental assistance for a  
12 specific purpose or title VIII of the elementary and secondary education act  
13 of 1965 monies. The auditor general shall determine which federal or state  
14 monies meet the definition in this paragraph.

15 2. "Operated for or by the same school district" means the charter  
16 school is either governed by the same district governing board or operated by  
17 the district in the same manner as other traditional schools in the district  
18 or is operated by an independent party that has a contract with the school  
19 district. The auditor general and the department of education shall  
20 determine which charter schools meet the definition in this subsection.

21 Sec. 5. Repeal

22 Section 15-185, Arizona Revised Statutes, as amended by Laws 2010,  
23 chapter 318, section 1, is repealed.

24 Sec. 6. Section 15-241, Arizona Revised Statutes, as amended by Laws  
25 2010, chapter 333, section 3, is amended to read:

26 15-241. School accountability; schools failing to meet academic  
27 standards; failing schools tutoring fund;  
28 classification label for school districts and charter  
29 school operators

30 A. The department of education shall compile an annual achievement  
31 profile for each public school.

32 B. Each school shall submit to the department any data that is  
33 required and requested and that is necessary to compile the achievement  
34 profile. A school that fails to submit the information that is necessary is  
35 not eligible to receive monies from the classroom site fund established by  
36 section 15-977.

37 C. The department shall establish a baseline achievement profile for  
38 each school. The baseline achievement profile shall be used to determine a  
39 standard measurement of acceptable academic progress for each school and a  
40 school classification pursuant to subsection H of this section. Any  
41 disclosure of educational records compiled by the department of education  
42 pursuant to this section shall comply with the family educational and privacy  
43 rights act of 1974 (20 United States Code section 1232g).

44 D. The achievement profile for schools that offer instruction in  
45 kindergarten programs and grades one through eight, or any combination of

1 those programs or grades, shall include the following school academic  
2 performance indicators:

3 1. The Arizona measure of academic progress. The department shall  
4 compute the extent of academic progress made by the pupils in each school  
5 during the course of each year.

6 2. The Arizona instrument to measure standards test. The department  
7 shall compute the percentage of pupils who meet or exceed the standard on the  
8 Arizona instrument to measure standards test, as prescribed by the state  
9 board of education. The superintendent of public instruction and the  
10 department may calculate academic gain on the Arizona instrument to measure  
11 standards test according to each of the school classifications prescribed in  
12 subsection G of this section on a statewide basis, for each school district  
13 in this state and for each school by determining the average scale scores for  
14 students in the current academic year as compared to the average scale scores  
15 for the previous academic year for the same students.

16 3. The results of English language learners tests administered  
17 pursuant to section 15-756, subsection B, section 15-756.05 and section  
18 15-756.06.

19 E. The achievement profile for schools that offer instruction in  
20 grades nine through twelve, or any combination of those grades, shall include  
21 the following school academic performance indicators:

22 1. The Arizona instrument to measure standards test. The department  
23 shall compute the percentage of pupils pursuant to subsection G of this  
24 section who meet or exceed the standard on the Arizona instrument to measure  
25 standards test, as prescribed by the state board of education. The  
26 superintendent of public instruction and the department may calculate  
27 academic gain on the Arizona instrument to measure standards test according  
28 to each of the school classifications prescribed in subsection G of this  
29 section on a statewide basis, for each school district in this state and for  
30 each school by determining the average scale scores for students in the  
31 current academic year as compared to the average scale scores for the  
32 previous academic year for the same students.

33 2. The annual dropout rate.

34 3. The annual graduation rate.

35 4. The results of English language learners tests administered  
36 pursuant to section 15-756, subsection B, section 15-756.05 and section  
37 15-756.06.

38 F. Schools that offer instruction in all or a combination of the  
39 grades specified in subsections D and E of this section shall include a  
40 single achievement profile for that school that includes the school academic  
41 performance indicators specified in subsections D and E of this section.

42 G. Subject to final adoption by the state board of education, the  
43 department shall determine the criteria for each school classification using  
44 a research based methodology. The methodology shall include the performance  
45 of pupils at all achievement levels, account for pupil mobility, account for

1 the distribution of pupil achievement at each school and include longitudinal  
2 indicators of academic performance. For the purposes of this subsection,  
3 "research based methodology" means the systematic and objective application  
4 of statistical and quantitative research principles to determine a standard  
5 measurement of acceptable academic progress for each school.

6 H. Except as provided in subsection EE of this section, the  
7 achievement profile shall be used to determine a school classification that  
8 designates each school as one of the following:

- 9 1. An excelling school.
- 10 2. A highly performing school.
- 11 3. A performing school.
- 12 4. An underperforming school.
- 13 5. A school failing to meet academic standards.

14 I. The classification for each school and the criteria used to  
15 determine classification pursuant to subsection G of this section shall be  
16 included on the school report card prescribed in section 15-746.

17 J. Subject to final adoption by the state board of education, the  
18 department of education shall develop a parallel achievement profile for  
19 accommodation schools, alternative schools as defined by the state board of  
20 education and extremely small schools as defined by the state board of  
21 education for the purposes of this section.

22 K. If a school is designated as an underperforming school, within  
23 ninety days after receiving notice of the designation, the governing board  
24 shall develop an improvement plan for the school, submit a copy of the plan  
25 to the superintendent of public instruction and supervise the implementation  
26 of the plan. The plan shall include necessary components as identified by  
27 the state board of education. Within thirty days after submitting the  
28 improvement plan to the superintendent of public instruction, the governing  
29 board shall hold a special public meeting in each school that has been  
30 designated as an underperforming school and shall present the respective  
31 improvement plans that have been developed for each school. The school  
32 district governing board, within thirty days of receiving notice of the  
33 designation, shall provide written notification of the classification to each  
34 residence within the attendance area of the school. The notice shall explain  
35 the improvement plan process and provide information regarding the public  
36 meeting required by this subsection.

37 L. A school that has not submitted an improvement plan pursuant to  
38 subsection K of this section is not eligible to receive monies from the  
39 classroom site fund established by section 15-977 for every day that a plan  
40 has not been received by the superintendent of public instruction within the  
41 time specified in subsection K of this section plus an additional ninety  
42 days. The state board of education shall require the superintendent of the  
43 school district to testify before the board and explain the reasons that an  
44 improvement plan for that school has not been submitted.

1 M. If a charter school is designated as an underperforming school,  
2 within thirty days the school shall notify the parents of the students  
3 attending the school of the classification. The notice shall explain the  
4 improvement plan process and provide information regarding the public meeting  
5 required by this subsection. Within ninety days of receiving the  
6 classification, the charter holder shall present an improvement plan to the  
7 charter sponsor at a public meeting and submit a copy of the plan to the  
8 superintendent of public instruction. The improvement plan shall include  
9 necessary components as identified by the state board of education. For  
10 every day that an improvement plan is not received by the superintendent of  
11 public instruction, the school is not eligible to receive monies from the  
12 classroom site fund established by section 15-977 for every day that a plan  
13 has not been received by the superintendent of public instruction within the  
14 time specified in subsection K of this section plus an additional ninety  
15 days. The charter holder shall appear before the sponsoring board and  
16 explain why the improvement plan has not been submitted.

17 N. The department of education shall establish an appeals process, to  
18 be approved by the state board of education, for a school to appeal data used  
19 to determine the achievement profile of the school. The criteria established  
20 shall be based on mitigating factors and may include a visit to the school  
21 site by the department of education.

22 O. If a school remains classified as an underperforming school for a  
23 third consecutive year, the department of education shall visit the school  
24 site to confirm the classification data and to review the implementation of  
25 the school's improvement plan. The school shall be classified as failing to  
26 meet academic standards unless an alternate classification is made after an  
27 appeal pursuant to subsection N of this section.

28 P. The school district governing board, within thirty days of  
29 receiving notice of the school failing to meet academic standards  
30 classification, shall provide written notification of the classification to  
31 each residence in the attendance area of the school. The notice shall  
32 explain the improvement plan process and provide information regarding the  
33 public meeting required by subsection S of this section.

34 Q. The superintendent of public instruction, based on need, shall  
35 assign a solutions team to an underperforming school, a school failing to  
36 meet academic standards or any other school pursuant to a mutual agreement  
37 between the department of education and the school comprised of master  
38 teachers, fiscal analysts and curriculum assessment experts who are certified  
39 by the state board of education as Arizona academic standards technicians.  
40 The department of education may hire or contract with administrators,  
41 principals and teachers who have demonstrated experience with the  
42 characteristics and situations in an underperforming school or a school  
43 failing to meet academic standards and may use these personnel as part of the  
44 solutions team. The department of education shall work with staff at the  
45 school to assist in curricula alignment and shall instruct teachers on how to

1 increase pupil academic progress, considering the school's achievement  
2 profile. The solutions team shall consider the existing improvement plan to  
3 assess the need for changes to curriculum, professional development and  
4 resource allocation and shall present a statement of its findings to the  
5 school administrator and district superintendent. Within forty-five days  
6 after the presentation of the solutions team's statement of findings, the  
7 school district governing board, in cooperation with each school within the  
8 school district that is designated an underperforming school and its assigned  
9 solutions team representative, shall develop and submit to the department of  
10 education an action plan that details the manner in which the school district  
11 will assist the school as the school incorporates the findings of the  
12 solutions team into the improvement plan. The department of education shall  
13 review the action plan and shall either accept the action plan or return the  
14 action plan to the school district for modification. If the school district  
15 does not submit an approved action plan within forty-five days, the state  
16 board of education may direct the superintendent of public instruction to  
17 withhold up to ten per cent of state monies that the school district would  
18 otherwise be entitled to receive each month until the plan is submitted to  
19 the department of education, at which time those monies shall be returned to  
20 the school district.

21 R. The parent or the guardian of the pupil may apply to the department  
22 of education, in a manner determined by the department of education, for a  
23 certificate of supplemental instruction from the failing schools tutoring  
24 fund established by this section. Pupils attending a school designated as an  
25 underperforming school or a school failing to meet academic standards or a  
26 pupil who has failed to pass one or more portions of the Arizona instrument  
27 to measure standards test in grades eight through twelve in order to graduate  
28 from high school may select an alternative tutoring program in academic  
29 standards from a provider that is certified by the state board of education.  
30 To qualify, the provider must state in writing a level of academic  
31 improvement for the pupil that includes a timeline for improvement that is  
32 agreed to by the parent or guardian of the pupil. The state board of  
33 education shall annually review academic performance levels for providers  
34 certified pursuant to this subsection and may remove a provider at a public  
35 hearing from an approved list of providers if that provider fails to meet its  
36 stated level of academic improvement. The state board of education shall  
37 determine the application guidelines and the maximum value for each  
38 certificate of supplemental instruction. The state board of education shall  
39 annually complete a market survey in order to determine the maximum value for  
40 each certificate of supplemental instruction. Nothing in this subsection  
41 shall be construed to require the state to provide additional monies beyond  
42 the monies provided pursuant to section 42-5029, subsection E, paragraph 7.

43 S. Within sixty days of receiving notification of designation as a  
44 school failing to meet academic standards, the school district governing  
45 board shall evaluate needed changes to the existing improvement plan for the

1 school, consider recommendations from the solutions team, submit a copy of  
2 the plan to the superintendent of public instruction and supervise the  
3 implementation of the plan. Within thirty days after submitting the  
4 improvement plan to the superintendent of public instruction, the governing  
5 board shall hold a public meeting in each school that has been designated as  
6 a school failing to meet academic standards and shall present the respective  
7 improvement plans that have been developed for each school.

8 T. A school that has not submitted an improvement plan pursuant to  
9 subsection S of this section is not eligible to receive monies from the  
10 classroom site fund established by section 15-977 for every day that a plan  
11 has not been received by the superintendent of public instruction within the  
12 time specified in subsection S of this section plus an additional ninety  
13 days. The state board of education shall require the superintendent of the  
14 school district to testify before the board and explain the reasons that an  
15 improvement plan for that school has not been submitted.

16 U. If a charter school is designated as a school failing to meet  
17 academic standards, the department of education shall immediately notify the  
18 charter school's sponsor. The charter school's sponsor shall either take  
19 action to restore the charter school to acceptable performance or revoke the  
20 charter school's charter. Within thirty days the school shall notify the  
21 parents of the students attending the school of the classification and of any  
22 pending public meetings to review the issue.

23 V. A school that has been designated as a school failing to meet  
24 academic standards shall be evaluated by the department of education to  
25 determine if the school failed to properly implement its school improvement  
26 plan, align the curriculum with academic standards, provide teacher training,  
27 prioritize the budget or implement other proven strategies to improve  
28 academic performance. After visiting the school site pursuant to subsection  
29 O of this section, the department of education shall submit to the state  
30 board of education a recommendation to proceed pursuant to subsections Q, R  
31 and S of this section or that the school be subject to a public hearing to  
32 determine if the school failed to properly implement its improvement plan and  
33 the reasons for the department's recommendation.

34 W. If the department does recommend a public hearing, the state board  
35 of education shall meet and may provide by a majority vote at the public  
36 hearing for the continued operation of the school as allowed by this  
37 subsection. The state board of education shall determine whether  
38 governmental, nonprofit and private organizations may submit applications to  
39 the state board to fully or partially manage the school. The state board's  
40 determination shall include:

41 1. If and to what extent the local governing board may participate in  
42 the operation of the school including personnel matters.

43 2. If and to what extent the state board of education shall  
44 participate in the operation of the school.

45 3. Resource allocation pursuant to subsection Y of this section.



1           4. Provisions for the development and submittal of a school  
2 improvement plan to be presented in a public meeting at the school.

3           5. A suggested time frame for the alternative operation of the school.

4           X. The state board shall periodically review the status of a school  
5 that is operated by an organization other than the school district governing  
6 board to determine whether the operation of the school should be returned to  
7 the school district governing board. Before the state board makes a  
8 determination, the state board or its designee shall meet with the school  
9 district governing board or its designee to determine the time frame,  
10 operational considerations and the appropriate continuation of existing  
11 improvements that are necessary to assure a smooth transition of authority  
12 from the other organization back to the school district governing board.

13           Y. If an alternative operation plan is provided pursuant to subsection  
14 W of this section, the state board of education shall pay for the operation  
15 of the school and shall adjust the school district's ~~student count pursuant~~  
16 ~~to section 15-902~~, soft capital allocation pursuant to section 15-962,  
17 capital outlay revenue limit pursuant to section 15-961, base support level  
18 pursuant to section 15-943, monies distributed from the classroom site fund  
19 established by section 15-977 and transportation support level pursuant to  
20 section 15-945 to accurately reflect any reduction in district services that  
21 are no longer provided to that school by the district. The state board of  
22 education may modify the school district's revenue control limit, the  
23 district support level and the general budget limit calculated pursuant to  
24 section 15-947 by an amount that corresponds to this reduction in services.  
25 The state board of education shall retain the portion of state aid that would  
26 otherwise be due the school district for the school and shall distribute that  
27 portion of state aid directly to the organization that contracts with the  
28 state board of education to operate the school.

29           Z. If the state board of education determines that a charter school  
30 failed to properly implement its improvement plan, the sponsor of the charter  
31 school shall revoke the charter school's charter.

32           AA. If there are more than two schools in a district and more than  
33 one-half, or in any case more than five, of the schools in the district are  
34 designated as schools failing to meet academic standards for more than two  
35 consecutive years, in the next election of members of the governing board the  
36 election ballot shall contain the following statement immediately above the  
37 listing of governing board candidates:

38           Within the last five years, (number of schools) schools in the  
39 \_\_\_\_\_ school district have been designated as "schools  
40 failing to meet academic standards" by the superintendent of  
41 public instruction.

42           BB. At least twice each year the department of education shall publish  
43 in a newspaper of general circulation in each county of this state a list of  
44 schools that are designated as schools failing to meet academic standards.

1 CC. The failing schools tutoring fund is established consisting of  
2 monies collected pursuant to section 42-5029, subsection E as designated for  
3 this purpose. The department of education shall administer the fund. The  
4 department of education may use monies from the fund to purchase materials  
5 designed to assist students to meet the Arizona academic standards and to  
6 achieve a passing score on the Arizona instrument to measure standards test  
7 in order to graduate from high school.

8 DD. The department of education may develop a classification label for  
9 school districts and charter school operators. If the department of  
10 education develops a classification label for school districts and charter  
11 school operators, the classification label may be developed from the  
12 following components:

- 13 1. Measures of academic progress.
- 14 2. Pupil assessment data.
- 15 3. The attendance rates and graduation rates of pupils who are  
16 educated in that charter school operator's charter schools or in that school  
17 district's schools.
- 18 4. The percentage of the parents of pupils enrolled in that charter  
19 school operator's charter schools or in that school district's schools that  
20 categorizes the quality of their child's education as excellent on a parental  
21 rating of school quality.

22 EE. The state board of education shall determine appropriate  
23 modifications to the criteria used to calculate achievement profiles for  
24 schools that participate in the board examination system prescribed in  
25 chapter 7, article 6 of this title.

26 Sec. 7. Repeal

27 Section 15-241, Arizona Revised Statutes, as amended by Laws 2010,  
28 chapter 318, section 4, is repealed.

29 Sec. 8. Section 15-241, Arizona Revised Statutes, as amended by  
30 section 6 of this act, is amended to read:

31 15-241. School and school district accountability; failing  
32 schools tutoring fund; classification label for  
33 school districts and charter school operators

34 A. The department of education shall compile an annual achievement  
35 profile for each public school AND SCHOOL DISTRICT.

36 B. Each school AND SCHOOL DISTRICT shall submit to the department any  
37 data that is required and requested and that is necessary to compile the  
38 achievement profile. A school OR SCHOOL DISTRICT that fails to submit the  
39 information that is necessary is not eligible to receive monies from the  
40 classroom site fund established by section 15-977.

41 C. The department shall establish a baseline achievement profile for  
42 each school AND SCHOOL DISTRICT. The baseline achievement profile shall be  
43 used to determine a standard measurement of acceptable academic progress for  
44 each school AND SCHOOL DISTRICT and a school AND SCHOOL DISTRICT  
45 classification pursuant to subsection H of this section. Any disclosure of

1 educational records compiled by the department of education pursuant to this  
2 section shall comply with the family educational and privacy rights act of  
3 1974 (20 United States Code section 1232g).

4 D. The achievement profile for schools AND SCHOOL DISTRICTS that offer  
5 instruction in kindergarten programs and grades one through eight, or any  
6 combination of those programs or grades, shall include the following school  
7 academic performance indicators:

8 1. The Arizona measure of academic progress. The department shall  
9 compute the extent of academic progress made by the pupils in each school AND  
10 SCHOOL DISTRICT during the course of each year.

11 2. The Arizona instrument to measure standards test. The department  
12 shall compute the percentage of pupils who meet or exceed the standard on the  
13 Arizona instrument to measure standards test, as prescribed by the state  
14 board of education. The superintendent of public instruction and the  
15 department may calculate academic gain on the Arizona instrument to measure  
16 standards test according to each of the school classifications prescribed in  
17 subsection G of this section on a statewide basis, for each school district  
18 in this state and for each school by determining the average scale scores for  
19 students in the current academic year as compared to the average scale scores  
20 for the previous academic year for the same students.

21 3. The results of English language learners tests administered  
22 pursuant to section 15-756, subsection B, section 15-756.05 and section  
23 15-756.06.

24 E. The achievement profile for schools AND SCHOOL DISTRICTS that offer  
25 instruction in grades nine through twelve, or any combination of those  
26 grades, shall include the following school academic performance indicators:

27 1. THE ARIZONA MEASURE OF ACADEMIC PROGRESS. THE DEPARTMENT SHALL  
28 COMPUTE THE EXTENT OF ACADEMIC PROGRESS MADE BY THE PUPILS AT EACH SCHOOL.

29 ~~1-~~ 2. The Arizona instrument to measure standards test. The  
30 department shall compute the percentage of pupils pursuant to subsection G of  
31 this section who meet or exceed the standard on the Arizona instrument to  
32 measure standards test, as prescribed by the state board of education. The  
33 superintendent of public instruction and the department may calculate  
34 academic gain on the Arizona instrument to measure standards test according  
35 to each of the school classifications prescribed in subsection G of this  
36 section on a statewide basis, for each school district in this state and for  
37 each school by determining the average scale scores for students in the  
38 current academic year as compared to the average scale scores for the  
39 previous academic year for the same students.

40 ~~2-~~ 3. The annual dropout rate.

41 ~~3-~~ 4. The annual graduation rate.

42 ~~4-~~ 5. The results of English language learners tests administered  
43 pursuant to section 15-756, subsection B, section 15-756.05 and section  
44 15-756.06.

F. Schools AND SCHOOL DISTRICTS that offer instruction in all or a combination of the grades specified in subsections D and E of this section shall include a single achievement profile for that school AND SCHOOL DISTRICT that includes the school academic performance indicators specified in subsections D and E of this section.

G. Subject to final adoption by the state board of education, the department shall determine the criteria for each school AND SCHOOL DISTRICT classification using a research based methodology. The methodology shall include the performance of pupils at all achievement levels, account for pupil mobility, account for the distribution of pupil achievement at each school AND SCHOOL DISTRICT and include longitudinal indicators of academic performance. FIFTY PER CENT OF THE SCHOOL AND SCHOOL DISTRICT CLASSIFICATION DETERMINATION SHALL CONSIST OF ACADEMIC PERFORMANCE MEASUREMENTS. FIFTY PER CENT OF THE ACADEMIC PERFORMANCE MEASUREMENT SHALL CONSIST OF A MEASUREMENT OF ACADEMIC GAIN FOR ALL PUPILS ENROLLED AT THE SCHOOL OR SCHOOL DISTRICT AND FIFTY PER CENT OF THE ACADEMIC PERFORMANCE MEASUREMENTS SHALL CONSIST OF A MEASUREMENT OF THE TWENTY-FIVE PER CENT OF PUPILS WITH THE LOWEST ACADEMIC PERFORMANCE MEASUREMENT ENROLLED AT THE SCHOOL OR SCHOOL DISTRICT. For the purposes of this subsection, "research based methodology" means the systematic and objective application of statistical and quantitative research principles to determine a standard measurement of acceptable academic progress for each school AND SCHOOL DISTRICT.

H. Except as provided in subsection EE of this section, the achievement profile shall be used to determine a school AND SCHOOL DISTRICT classification that ~~designates each school as one of the following~~ USES A LETTER GRADE SYSTEM AS FOLLOWS:

- ~~1. An excelling school.~~
- ~~2. A highly performing school.~~
- ~~3. A performing school.~~
- ~~4. An underperforming school.~~
- ~~5. A school failing to meet academic standards.~~

1. A SCHOOL OR SCHOOL DISTRICT ASSIGNED A LETTER GRADE OF A SHALL DEMONSTRATE AN EXCELLENT LEVEL OF PERFORMANCE.

2. A SCHOOL OR SCHOOL DISTRICT ASSIGNED A LETTER GRADE OF B SHALL DEMONSTRATE AN ABOVE AVERAGE LEVEL OF PERFORMANCE.

3. A SCHOOL OR SCHOOL DISTRICT ASSIGNED A LETTER GRADE OF C SHALL DEMONSTRATE AN AVERAGE LEVEL OF PERFORMANCE.

4. A SCHOOL OR SCHOOL DISTRICT ASSIGNED A LETTER GRADE OF D SHALL DEMONSTRATE A BELOW AVERAGE LEVEL OF PERFORMANCE.

5. A SCHOOL OR SCHOOL DISTRICT ASSIGNED A LETTER GRADE OF F SHALL DEMONSTRATE A FAILING LEVEL OF PERFORMANCE.

I. The classification for each school and the criteria used to determine classification pursuant to subsection G of this section shall be included on the school report card prescribed in section 15-746.

1 J. Subject to final adoption by the state board of education, the  
2 department of education shall develop a parallel achievement profile for  
3 accommodation schools, alternative schools as defined by the state board of  
4 education and extremely small schools as defined by the state board of  
5 education for the purposes of this section.

6 K. If a school is ~~designated as an underperforming school~~ ASSIGNED A  
7 LETTER GRADE OF D, within ninety days after receiving notice of the  
8 designation, the governing board shall develop an improvement plan for the  
9 school, submit a copy of the plan to the superintendent of public instruction  
10 AND THE COUNTY EDUCATIONAL SERVICE AGENCY and supervise the implementation of  
11 the plan. The plan shall include necessary components as identified by the  
12 state board of education. Within thirty days after submitting the  
13 improvement plan to the superintendent of public instruction AND THE COUNTY  
14 EDUCATIONAL SERVICE AGENCY, the governing board shall hold a special public  
15 meeting in each school that has been ~~designated as an underperforming school~~  
16 ASSIGNED A LETTER GRADE OF D and shall present the respective improvement  
17 plans that have been developed for each school. The school district  
18 governing board, within thirty days of receiving notice of the designation,  
19 shall provide written notification of the classification to each residence  
20 within the attendance area of the school. The notice shall explain the  
21 improvement plan process and provide information regarding the public meeting  
22 required by this subsection.

23 L. A school that has not submitted an improvement plan pursuant to  
24 subsection K of this section is not eligible to receive monies from the  
25 classroom site fund established by section 15-977 for every day that a plan  
26 has not been received by the superintendent of public instruction within the  
27 time specified in subsection K of this section plus an additional ninety  
28 days. The state board of education shall require the superintendent of the  
29 school district to testify before the board and explain the reasons that an  
30 improvement plan for that school has not been submitted.

31 M. If a charter school is ~~designated as an underperforming school~~  
32 ASSIGNED A LETTER GRADE OF D, within thirty days the school shall notify the  
33 parents of the students attending the school of the classification. The  
34 notice shall explain the improvement plan process and provide information  
35 regarding the public meeting required by this subsection. Within ninety days  
36 of receiving the classification, the charter holder shall present an  
37 improvement plan to the charter sponsor at a public meeting and submit a copy  
38 of the plan to the superintendent of public instruction. The improvement  
39 plan shall include necessary components as identified by the state board of  
40 education. For every day that an improvement plan is not received by the  
41 superintendent of public instruction AND THE COUNTY EDUCATIONAL SERVICE  
42 AGENCY, the school is not eligible to receive monies from the classroom site  
43 fund established by section 15-977 for every day that a plan has not been  
44 received by the superintendent of public instruction within the time  
45 specified in subsection K of this section plus an additional ninety days.

1 The charter holder shall appear before the sponsoring board and explain why  
2 the improvement plan has not been submitted.

3 N. The department of education shall establish an appeals process, to  
4 be approved by the state board of education, for a school to appeal data used  
5 to determine the achievement profile of the school. The criteria established  
6 shall be based on mitigating factors and may include a visit to the school  
7 site by the department of education.

8 O. If a school ~~remains classified as an underperforming school~~ IS  
9 ASSIGNED A LETTER GRADE OF D for a third consecutive year, the department of  
10 education shall visit the school site to confirm the classification data and  
11 to review the implementation of the school's improvement plan. The school  
12 shall be ~~classified as failing to meet academic standards~~ ASSIGNED A LETTER  
13 GRADE OF F unless an alternate ~~classification~~ LETTER GRADE is made ASSIGNED  
14 after an appeal pursuant to subsection N of this section.

15 P. The school district governing board, within thirty days of  
16 receiving notice of the school ~~failing to meet academic standards~~  
17 ~~classification~~ BEING ASSIGNED A LETTER GRADE OF F, shall provide written  
18 notification of the classification to each residence in the attendance area  
19 of the school. The notice shall explain the improvement plan process and  
20 provide information regarding the public meeting required by subsection S of  
21 this section.

22 Q. The superintendent of public instruction IN COLLABORATION WITH THE  
23 COUNTY EDUCATIONAL SERVICE AGENCY, based on need, shall assign a solutions  
24 team to ~~an underperforming school~~ A SCHOOL ASSIGNED A LETTER GRADE OF D, a  
25 school ~~failing to meet academic standards~~ ASSIGNED A LETTER GRADE OF F or any  
26 other school pursuant to a mutual agreement between the department of  
27 education and the school comprised of master teachers, fiscal analysts and  
28 curriculum assessment experts who are certified by the state board of  
29 education as Arizona academic standards technicians. The department of  
30 education OR THE COUNTY EDUCATIONAL SERVICE AGENCY may hire or contract with  
31 administrators, principals and teachers who have demonstrated experience with  
32 the characteristics and situations in ~~an underperforming school or a school~~  
33 ~~failing to meet academic standards~~ A SCHOOL ASSIGNED A LETTER GRADE OF D OR F  
34 and may use these personnel as part of the solutions team. The department of  
35 education shall work with staff at the school to assist in curricula  
36 alignment and shall instruct teachers on how to increase pupil academic  
37 progress, considering the school's achievement profile. The solutions team  
38 shall consider the existing improvement plan to assess the need for changes  
39 to curriculum, professional development and resource allocation and shall  
40 present a statement of its findings to the school administrator and district  
41 superintendent. Within forty-five days after the presentation of the  
42 solutions team's statement of findings, the school district governing board,  
43 in cooperation with each school within the school district that is ~~designated~~  
44 ~~an underperforming school~~ ASSIGNED A LETTER GRADE OF D and its assigned  
45 solutions team representative, shall develop and submit to the department of

1 education AND THE COUNTY EDUCATIONAL SERVICE AGENCY an action plan that  
2 details the manner in which the school district will assist the school as the  
3 school incorporates the findings of the solutions team into the improvement  
4 plan. The department of education shall review the action plan and shall  
5 either accept the action plan or return the action plan to the school  
6 district for modification. If the school district does not submit an  
7 approved action plan within forty-five days, the state board of education may  
8 direct the superintendent of public instruction to withhold up to ten per  
9 cent of state monies that the school district would otherwise be entitled to  
10 receive each month until the plan is submitted to the department of education  
11 AND THE COUNTY EDUCATIONAL SERVICE AGENCY, at which time those monies shall  
12 be returned to the school district.

13 R. The parent or the guardian of the pupil may apply to the department  
14 of education, in a manner determined by the department of education, for a  
15 certificate of supplemental instruction from the failing schools tutoring  
16 fund established by this section. Pupils attending a school ~~designated as an~~  
17 ~~underperforming school or a school failing to meet academic standards~~  
18 ASSIGNED A LETTER GRADE OF D OR F or a pupil who has failed to pass one or  
19 more portions of the Arizona instrument to measure standards test in grades  
20 eight through twelve in order to graduate from high school may select an  
21 alternative tutoring program in academic standards from a provider that is  
22 certified by the state board of education. To qualify, the provider must  
23 state in writing a level of academic improvement for the pupil that includes  
24 a timeline for improvement that is agreed to by the parent or guardian of the  
25 pupil. The state board of education shall annually review academic  
26 performance levels for providers certified pursuant to this subsection and  
27 may remove a provider at a public hearing from an approved list of providers  
28 if that provider fails to meet its stated level of academic improvement. The  
29 state board of education shall determine the application guidelines and the  
30 maximum value for each certificate of supplemental instruction. The state  
31 board of education shall annually complete a market survey in order to  
32 determine the maximum value for each certificate of supplemental instruction.  
33 Nothing in this subsection shall be construed to require the state to provide  
34 additional monies beyond the monies provided pursuant to section 42-5029,  
35 subsection E, paragraph 7.

36 S. Within sixty days of receiving notification of ~~designation as a~~  
37 ~~school failing to meet academic standards~~ BEING ASSIGNED A LETTER GRADE OF F,  
38 the school district governing board shall evaluate needed changes to the  
39 existing improvement plan for the school, consider recommendations from the  
40 solutions team, submit a copy of the plan to the superintendent of public  
41 instruction AND THE COUNTY EDUCATIONAL SERVICE AGENCY and supervise the  
42 implementation of the plan. Within thirty days after submitting the  
43 improvement plan to the superintendent of public instruction, the governing  
44 board shall hold a public meeting in each school that has been ~~designated as~~  
45 ~~a school failing to meet academic standards~~ ASSIGNED A LETTER GRADE OF F and

1 shall present the respective improvement plans that have been developed for  
2 each school.

3 T. A school that has not submitted an improvement plan pursuant to  
4 subsection S of this section is not eligible to receive monies from the  
5 classroom site fund established by section 15-977 for every day that a plan  
6 has not been received by the superintendent of public instruction within the  
7 time specified in subsection S of this section plus an additional ninety  
8 days. The state board of education shall require the superintendent of the  
9 school district to testify before the board and explain the reasons that an  
10 improvement plan for that school has not been submitted.

11 U. If a charter school is ~~designated as a school failing to meet~~  
12 ~~academic standards~~ ASSIGNED A LETTER GRADE OF F, the department of education  
13 shall immediately notify the charter school's sponsor. The charter school's  
14 sponsor shall either take action to restore the charter school to acceptable  
15 performance or revoke the charter school's charter. Within thirty days the  
16 school shall notify the parents of the students attending the school of the  
17 classification and of any pending public meetings to review the issue.

18 V. A school that has been ~~designated as a school failing to meet~~  
19 ~~academic standards~~ ASSIGNED A LETTER GRADE OF F shall be evaluated by the  
20 department of education to determine if the school failed to properly  
21 implement its school improvement plan, align the curriculum with academic  
22 standards, provide teacher training, prioritize the budget or implement other  
23 proven strategies to improve academic performance. After visiting the school  
24 site pursuant to subsection O of this section, the department of education  
25 shall submit to the state board of education a recommendation to proceed  
26 pursuant to subsections Q, R and S of this section or that the school be  
27 subject to a public hearing to determine if the school failed to properly  
28 implement its improvement plan and the reasons for the department's  
29 recommendation.

30 W. If the department does recommend a public hearing, the state board  
31 of education shall meet and may provide by a majority vote at the public  
32 hearing for the continued operation of the school as allowed by this  
33 subsection. The state board of education shall determine whether  
34 governmental, nonprofit and private organizations may submit applications to  
35 the state board to fully or partially manage the school. The state board's  
36 determination shall include:

37 1. If and to what extent the local governing board may participate in  
38 the operation of the school including personnel matters.

39 2. If and to what extent the state board of education shall  
40 participate in the operation of the school.

41 3. Resource allocation pursuant to subsection Y of this section.

42 4. Provisions for the development and submittal of a school  
43 improvement plan to be presented in a public meeting at the school.

44 5. A suggested time frame for the alternative operation of the school.



X. The state board shall periodically review the status of a school that is operated by an organization other than the school district governing board to determine whether the operation of the school should be returned to the school district governing board. Before the state board makes a determination, the state board or its designee shall meet with the school district governing board or its designee to determine the time frame, operational considerations and the appropriate continuation of existing improvements that are necessary to assure a smooth transition of authority from the other organization back to the school district governing board.

Y. If an alternative operation plan is provided pursuant to subsection W of this section, the state board of education shall pay for the operation of the school and shall adjust the school district's soft capital allocation pursuant to section 15-962, capital outlay revenue limit pursuant to section 15-961, base support level pursuant to section 15-943, monies distributed from the classroom site fund established by section 15-977 and transportation support level pursuant to section 15-945 to accurately reflect any reduction in district services that are no longer provided to that school by the district. The state board of education may modify the school district's revenue control limit, the district support level and the general budget limit calculated pursuant to section 15-947 by an amount that corresponds to this reduction in services. The state board of education shall retain the portion of state aid that would otherwise be due the school district for the school and shall distribute that portion of state aid directly to the organization that contracts with the state board of education to operate the school.

Z. If the state board of education determines that a charter school failed to properly implement its improvement plan, the sponsor of the charter school shall revoke the charter school's charter.

AA. If there are more than two schools in a district and more than one-half, or in any case more than five, of the schools in the district are ~~designated as schools failing to meet academic standards~~ ASSIGNED A LETTER GRADE OF F for more than two consecutive years, in the next election of members of the governing board the election ballot shall contain the following statement immediately above the listing of governing board candidates:

Within the last five years, (number of schools) schools in the \_\_\_\_\_ school district have been designated as "schools failing to meet academic standards" by the superintendent of public instruction.

BB. At least twice each year the department of education shall publish in a newspaper of general circulation in each county of this state a list of schools that are ~~designated as schools failing to meet academic standards~~ ASSIGNED A LETTER GRADE OF F.

CC. The failing schools tutoring fund is established consisting of monies collected pursuant to section 42-5029, subsection E as designated for

1 this purpose. The department of education shall administer the fund. The  
2 department of education may use monies from the fund to purchase materials  
3 designed to assist students to meet the Arizona academic standards and to  
4 achieve a passing score on the Arizona instrument to measure standards test  
5 in order to graduate from high school.

6 DD. The department of education may develop a classification label for  
7 school districts and charter school operators. If the department of  
8 education develops a classification label for school districts and charter  
9 school operators, the classification label may be developed from the  
10 following components:

- 11 1. Measures of academic progress.
- 12 2. Pupil assessment data.
- 13 3. The attendance rates and graduation rates of pupils who are  
14 educated in that charter school operator's charter schools or in that school  
15 district's schools.
- 16 4. The percentage of the parents of pupils enrolled in that charter  
17 school operator's charter schools or in that school district's schools that  
18 categorizes the quality of their child's education as excellent on a parental  
19 rating of school quality.

20 EE. The state board of education shall determine appropriate  
21 modifications to the criteria used to calculate achievement profiles for  
22 schools that participate in the board examination system prescribed in  
23 chapter 7, article 6 of this title.

24 Sec. 9. Repeal

25 Section 15-241, Arizona Revised Statutes, as amended by Laws 2010,  
26 chapter 247, section 1, is repealed.

27 Sec. 10. Repeal

28 Section 15-342, Arizona Revised Statutes, as amended by Laws 2010,  
29 chapter 117, section 6, is repealed.

30 Sec. 11. Section 15-393, Arizona Revised Statutes, as amended by Laws  
31 2010, chapter 285, section 1 and chapter 306, section 3, is amended to read:  
32 15-393. Joint technical education district governing board;

33 report; definition

34 A. The management and control of the joint district are vested in the  
35 joint technical education district governing board, including the content and  
36 quality of the courses offered by the district, the quality of teachers who  
37 provide instruction on behalf of the district, the salaries of teachers who  
38 provide instruction on behalf of the district and the reimbursement of other  
39 entities for the facilities used by the district. Unless the governing  
40 boards of the school districts participating in the formation of the joint  
41 district vote to implement an alternative election system as provided in  
42 subsection B of this section, the joint board shall consist of five members  
43 elected from five single member districts formed within the joint district.  
44 The single member district election system shall be submitted as part of the

1 plan for the joint district pursuant to section 15-392 and shall be  
2 established in the plan as follows:

3 1. The governing boards of the school districts participating in the  
4 formation of the joint district shall define the boundaries of the single  
5 member districts so that the single member districts are as nearly equal in  
6 population as is practicable, except that if the joint district lies in part  
7 in each of two or more counties, at least one single member district may be  
8 entirely within each of the counties comprising the joint district if this  
9 district design is consistent with the obligation to equalize the population  
10 among single member districts.

11 2. The boundaries of each single member district shall follow election  
12 precinct boundary lines, as far as practicable, in order to avoid further  
13 segmentation of the precincts.

14 3. A person who is a registered voter of this state and who is a  
15 resident of the single member district is eligible for election to the office  
16 of joint board member from the single member district. The terms of office  
17 of the members of the joint board shall be as prescribed in section 15-427,  
18 subsection B. An employee of a joint technical education district or the  
19 spouse of an employee shall not hold membership on a governing board of a  
20 joint technical education district by which the employee is employed. A  
21 member of one school district governing board or joint technical education  
22 district governing board is ineligible to be a candidate for nomination or  
23 election to or serve simultaneously as a member of any other governing board,  
24 except that a member of a governing board may be a candidate for nomination  
25 or election for any other governing board if the member is serving in the  
26 last year of a term of office. A member of a governing board shall resign  
27 the member's seat on the governing board before becoming a candidate for  
28 nomination or election to the governing board of any other school district or  
29 joint technical education district, unless the member of the governing board  
30 is serving in the last year of a term of office.

31 4. Nominating petitions shall be signed by the number of qualified  
32 electors of the single member district as provided in section 16-322.

33 B. The governing boards of the school districts participating in the  
34 formation of the joint district may vote to implement any other alternative  
35 election system for the election of joint district board members. If an  
36 alternative election system is selected, it shall be submitted as part of the  
37 plan for the joint district pursuant to section 15-392, and the  
38 implementation of the system shall be as approved by the United States  
39 justice department.

40 C. The joint technical education district shall be subject to the  
41 following provisions of this title:

- 42 1. Chapter 1, articles 1 through 6.
- 43 2. Sections 15-208, 15-210, 15-213 and 15-234.
- 44 3. Articles 2, 3 and 5 of this chapter.
- 45 4. Section 15-361.

- 1           5. Chapter 4, articles 1, 2 and 5.
- 2           6. Chapter 5, articles 1, 2 and 3.
- 3           7. Sections 15-701.01, 15-722, 15-723, 15-724, 15-727, 15-728, 15-729
- 4      and 15-730.
- 5           8. Chapter 7, article 5.
- 6           9. Chapter 8, articles 1, 3 and 4.
- 7           10. Sections 15-828 and 15-829.
- 8           11. Chapter 9, article 1, article 6, except for section 15-995, and
- 9      article 7.
- 10          12. Sections 15-941, 15-943.01, 15-948, 15-952, 15-953 and 15-973.
- 11          13. Sections 15-1101 and 15-1104.
- 12          14. Chapter 10, articles 2, 3, 4 and 8.
- 13          D. Notwithstanding subsection C of this section, the following apply
- 14      to a joint technical education district:
- 15          1. A joint district may issue bonds for the purposes specified in
- 16      section 15-1021 and in chapter 4, article 5 of this title to an amount in the
- 17      aggregate, including the existing indebtedness, not exceeding one per cent of
- 18      the taxable property used for secondary tax purposes, as determined pursuant
- 19      to title 42, chapter 15, article 1, within the joint technical education
- 20      district as ascertained by the last property tax assessment previous to
- 21      issuing the bonds.
- 22          2. The number of governing board members for a joint district shall be
- 23      as prescribed in subsection A of this section.
- 24          3. If a career and technical education and vocational education course
- 25      or program provided pursuant to this article is provided in a facility owned
- 26      or operated by a school district in which a pupil is enrolled, including
- 27      satellite courses, the sum of the daily attendance, as provided in section
- 28      15-901, subsection A, paragraph 6- 5, for that pupil in both the school
- 29      district and joint technical education district shall not exceed 1.25 and the
- 30      sum of the fractional student enrollment, as provided in section 15-901,
- 31      subsection A, paragraph 2- 1, subdivision (a), shall not exceed 1.25 for the
- 32      courses taken in the school district and the facility, including satellite
- 33      courses. The school district and the joint district shall determine the
- 34      apportionment of the daily attendance and fractional student enrollment for
- 35      that pupil between the school district and the joint district. Pupils in an
- 36      approved joint technical education district satellite program may generate an
- 37      average daily attendance for attendance hours during any hour of the day,
- 38      during any day of the week and at any time beginning July 1 through June 30
- 39      of each fiscal year.
- 40          4. The student count for the first year of operation of a joint
- 41      technical education district as provided in this article shall be determined
- 42      as follows:
- 43          (a) Determine the estimated student count for joint district classes
- 44      that will operate in the first year of operation. This estimate shall be
- 45      based on actual registration of pupils as of March 30 scheduled to attend

1 classes that will be operated by the joint district. The student count for  
2 the district of residence of the pupils registered at the joint district  
3 shall be adjusted. The adjustment shall cause the district of residence to  
4 reduce the student count for the pupil to reflect the courses to be taken at  
5 the joint district. The district of residence shall review and approve the  
6 adjustment of its own student count as provided in this subdivision before  
7 the pupils from the school district can be added to the student count of the  
8 joint district.

9 (b) The student count for the new joint district shall be the student  
10 count as determined in subdivision (a) of this paragraph.

11 (c) After the first one hundred days or two hundred days in session,  
12 as applicable, for the first year of operation, the joint district shall  
13 revise the student count to the actual student count for students attending  
14 classes in the joint district. A joint district shall revise its student  
15 count, the base support level as provided in section 15-943.02, the revenue  
16 control limit as provided in section 15-944.01, the capital outlay revenue  
17 limit and the soft capital allocation as provided in section 15-962.01 prior  
18 to May 15. A joint district that overestimated its student count shall  
19 revise its budget prior to May 15. A joint district that underestimated its  
20 student count may revise its budget prior to May 15.

21 (d) After the first one hundred days or two hundred days in session,  
22 as applicable, for the first year of operation, the district of residence  
23 shall adjust its student count by reducing it to reflect the courses actually  
24 taken at the joint district. The district of residence shall revise its  
25 student count, the base support level as provided in section 15-943, the  
26 revenue control limit as provided in section 15-944, the capital outlay  
27 revenue limit as provided in section 15-961 and the soft capital allocation  
28 as provided in section 15-962 prior to May 15. A district that  
29 underestimated the student count for students attending the joint district  
30 shall revise its budget prior to May 15. A district that overestimated the  
31 student count for students attending the joint district may revise its budget  
32 prior to May 15.

33 (e) A joint district for the first year of operation shall not be  
34 eligible for adjustment pursuant to section 15-948.

35 (f) The procedures for implementing this paragraph shall be as  
36 prescribed in the uniform system of financial records.

37 (g) Pupils in an approved joint technical education district  
38 centralized program may generate an average daily attendance of 1.0 for  
39 attendance hours during any hour of the day, during any day of the week and  
40 at any time between July 1 and June 30 of each fiscal year.

41 For the purposes of this paragraph, "district of residence" means the  
42 district that included the pupil in its average daily membership for the year  
43 before the first year of operation of the joint district and that would have  
44 included the pupil in its student count for the purposes of computing its

1 base support level for the fiscal year of the first year of operation of the  
2 joint district if the pupil had not enrolled in the joint district.

3 5. A student includes any person enrolled in the joint district  
4 without regard to the person's age or high school graduation status, except  
5 that:

6 (a) A student in a kindergarten program or in grades one through eight  
7 who enrolls in courses offered by the joint technical education district  
8 shall not be included in the joint district's ~~average daily attendance or~~  
9 average daily membership.

10 (b) A student in a kindergarten program or in grades one through eight  
11 who is enrolled in vocational education courses shall not be funded in whole  
12 or in part with monies provided by a joint technical education district.

13 (c) A student who is over twenty-two years of age shall not be  
14 included in the student count of the joint district for the purposes of  
15 chapter 9, articles 3, 4 and 5 of this title.

16 (d) A student in grade nine who enrolls in a career exploration course  
17 shall not be included in the joint district's ~~average daily attendance or~~  
18 average daily membership.

19 6. A joint district may operate for more than one hundred seventy-five  
20 days per year, with expanded hours of service.

21 7. A joint district may use the excess utility costs provisions of  
22 section 15-910 in the same manner as a school district for fiscal years  
23 1999-2000 and 2000-2001, except that the base year shall be the first full  
24 fiscal year of operations.

25 8. A joint district may use the carryforward provisions of section  
26 15-943.01 retroactively to July 1, 1993.

27 9. A school district that is part of a joint district shall use any  
28 monies received pursuant to this article to supplement and not supplant base  
29 year career and technical education and vocational education courses, and  
30 directly related equipment and facilities, except that a school district that  
31 is part of a joint technical education district and that has used monies  
32 received pursuant to this article to supplant career and technological  
33 education and vocational education courses that were offered before the first  
34 year that the school district participated in the joint district or the first  
35 year that the school district used monies received pursuant to this article  
36 or that used the monies for purposes other than for career and technological  
37 education and vocational education courses shall use one hundred per cent of  
38 the monies received pursuant to this article to supplement and not supplant  
39 base year career and technical education and vocational education courses.

40 10. A joint technical education district shall use any monies received  
41 pursuant to this article to enhance and not supplant career and technical  
42 education and vocational education courses and directly related equipment and  
43 facilities.

44 11. A joint technical education district or a school district that is  
45 part of a joint district shall only include pupils in grades nine through

1 twelve in the calculation of average daily membership ~~or average daily~~  
2 ~~attendance~~ if the pupils are enrolled in courses that are approved jointly by  
3 the governing board of the joint technical education district and each  
4 participating school district for satellite courses taught within the  
5 participating school district, or approved solely by the joint technical  
6 education district for centrally located courses. Average daily membership  
7 ~~and average daily attendance~~ from courses that are not part of an approved  
8 program for career and technical education shall not be included in average  
9 daily membership ~~and average daily attendance~~ of a joint technical education  
10 district. A student in grade nine who enrolls in a career exploration course  
11 shall not be included in the joint district's ~~average daily attendance or~~  
12 average daily membership.

13 E. The joint board shall appoint a superintendent as the executive  
14 officer of the joint district.

15 F. Taxes may be levied for the support of the joint district as  
16 prescribed in chapter 9, article 6 of this title, except that a joint  
17 technical education district shall not levy a property tax pursuant to law  
18 that exceeds five cents per one hundred dollars assessed valuation except for  
19 bond monies pursuant to subsection D, paragraph 1 of this section. Except  
20 for the taxes levied pursuant to section 15-994, such taxes shall be obtained  
21 from a levy of taxes on the taxable property used for secondary tax purposes.

22 G. The schools in the joint district are available to all persons who  
23 reside in the joint district subject to the rules for admission prescribed by  
24 the joint board.

25 H. The joint board may collect tuition for adult students and the  
26 attendance of pupils who are residents of school districts that are not  
27 participating in the joint district pursuant to arrangements made between the  
28 governing board of the district and the joint board.

29 I. The joint board may accept gifts, grants, federal monies, tuition  
30 and other allocations of monies to erect, repair and equip buildings and for  
31 the cost of operation of the schools of the joint district.

32 J. One member of the joint board shall be selected chairman. The  
33 chairman shall be selected annually on a rotation basis from among the  
34 participating school districts. The chairman of the joint board shall be a  
35 voting member.

36 K. A joint board and a community college district may enter into  
37 agreements for the provision of administrative, operational and educational  
38 services and facilities.

39 L. Any agreement between the governing board of a joint technical  
40 education district and another joint technical education district, a school  
41 district, a charter school or a community college district shall be in the  
42 form of an intergovernmental agreement or other written contract. The  
43 auditor general shall modify the uniform system of financial records and  
44 budget forms in accordance with this subsection. The intergovernmental

1 agreement or other written contract shall completely and accurately specify  
2 each of the following:

3 1. The financial provisions of the intergovernmental agreement or  
4 other written contract and the format for the billing of all services.

5 2. The accountability provisions of the intergovernmental agreement or  
6 other written contract.

7 3. The responsibilities of each joint technical education district,  
8 each school district, each charter school and each community college district  
9 that is a party to the intergovernmental agreement or other written contract.

10 4. The type of instruction that will be provided under the  
11 intergovernmental agreement or other written contract, including  
12 individualized education programs pursuant to section 15-763.

13 5. The quality of the instruction that will be provided under the  
14 intergovernmental agreement or other written contract.

15 6. The transportation services that will be provided under the  
16 intergovernmental agreement or other written contract and the manner in which  
17 transportation costs will be paid.

18 7. The amount that the joint technical education district will  
19 contribute to a course and the amount of support required by the school  
20 district or the community college.

21 8. That the services provided by the joint technical education  
22 district, the school district, the charter school or the community college  
23 district be proportionally calculated in the cost of delivering the service.

24 9. That the payment for services shall not exceed the cost of the  
25 services provided.

26 10. That any initial intergovernmental agreement or other written  
27 contract and any addendums between the governing board of a joint technical  
28 education district and another joint technical education district, a school  
29 district, a charter school or a community college district be submitted by  
30 the joint technical education district to the joint legislative budget  
31 committee for review.

32 M. On or before December 31 of each year, each joint technical  
33 education district shall submit a detailed report to the career and technical  
34 education division of the department of education. The career and technical  
35 education division of the department of education shall collect, summarize  
36 and analyze the data submitted by the joint districts, shall submit an annual  
37 report that summarizes the data submitted by the joint districts to the  
38 governor, the speaker of the house of representatives, the president of the  
39 senate and the state board of education and shall submit a copy of this  
40 report to the secretary of state. The data submitted by each joint technical  
41 education district shall include the following:

42 1. The average daily membership of the joint district.

43 2. The program listings and program descriptions of programs offered  
44 by the joint district, including the course sequences for each program.



1       3. The costs associated with each program offered by the joint  
2 district.

3       4. The completion rate for each program offered by the joint district.  
4 For the purposes of this paragraph, "completion rate" means the completion  
5 rate for students who are designated as concentrators in that program by the  
6 department of education under the career and technology approved plan.

7       5. The graduation rate from the school district of residence of  
8 students who have completed a program in the joint district.

9       6. A detailed description of the career opportunities available to  
10 students after completion of the program offered by the joint district.

11       7. A detailed description of the career placement of students who have  
12 completed the program offered by the joint district.

13       8. Any other data deemed necessary by the department of education to  
14 carry out its duties under this subsection.

15       N. If the career and technical education division of the department of  
16 education determines that a course does not meet the criteria for approval as  
17 a joint technical education course, the governing board of the joint  
18 technical education district may appeal this decision to the state board of  
19 education acting as the state board of vocational education.

20       O. Notwithstanding any other law, the average daily membership of a  
21 pupil who is enrolled in a course that meets for at least one hundred fifty  
22 minutes per class period at a centralized campus owned and operated by a  
23 joint technical education district shall be 0.75. The sum of daily  
24 attendance, as provided in section 15-901, subsection A, paragraph 6 and the  
25 sum of the fractional student enrollment, as provided in section 15-901,  
26 subsection A, paragraph 2, subdivision (a), for that pupil in both the member  
27 school district and joint technical education district courses provided at a  
28 community college pursuant to subsection K of this section or at a facility  
29 owned and operated by a joint technical education district that is not  
30 located on a site of a member district shall not exceed 1.75. The member  
31 school district and the joint district shall determine the apportionment of  
32 the daily attendance and student enrollment for that pupil between the member  
33 school district and the joint district, except the amount apportioned shall  
34 not exceed 1.0 for either entity.

35       P. For the purposes of this section, "base year" means the complete  
36 school year in which voters of a school district elected to join a joint  
37 technical education district.

38       Sec. 12. Repeal

39       Section 15-393, Arizona Revised Statutes, as amended by Laws 2010,  
40 chapter 318, section 5, is repealed.

41       Sec. 13. Section 15-808, Arizona Revised Statutes, as amended by Laws  
42 2010, chapter 306, section 5, is amended to read:

43       15-808. Arizona online instruction; reports; definitions

44       A. Arizona online instruction shall be instituted to meet the needs of  
45 pupils in the information age. The state board of education shall select

1 traditional public schools and the state board for charter schools shall  
2 sponsor charter schools to be online course providers or online schools. The  
3 state board of education and the state board for charter schools shall  
4 jointly develop standards for the approval of online course providers and  
5 online schools based on the following criteria:

- 6 1. The depth and breadth of curriculum choices.
- 7 2. The variety of educational methodologies employed by the school and  
8 the means of addressing the unique needs and learning styles of targeted  
9 pupil populations, including computer assisted learning systems, virtual  
10 classrooms, virtual laboratories, electronic field trips, electronic mail,  
11 virtual tutoring, online help desk, group chat sessions and noncomputer based  
12 activities performed under the direction of a certificated teacher.
- 13 3. The availability of an intranet or private network to safeguard  
14 pupils against predatory and pornographic elements of the internet.
- 15 4. The availability of filtered research access to the internet.
- 16 5. The availability of private individual electronic mail between  
17 pupils, teachers, administrators and parents in order to protect the  
18 confidentiality of pupil records and information.
- 19 6. The availability of faculty members who are experienced with  
20 computer networks, the internet and computer animation.
- 21 7. The extent to which the school intends to develop partnerships with  
22 universities, community colleges and private businesses.
- 23 8. The services offered to developmentally disabled populations.
- 24 9. The grade levels that will be served.

25 B. Each new school that provides online instruction shall provide  
26 online instruction on a probationary status. After a new school that  
27 provides online instruction has clearly demonstrated the academic integrity  
28 of its instruction through the actual improvement of the academic performance  
29 of its students, the school may apply to be removed from probationary status.  
30 The state board of education or the state board for charter schools shall  
31 remove from Arizona online instruction any probationary school that fails to  
32 clearly demonstrate improvement in academic performance within three years  
33 measured against goals in the approved application and the state's  
34 accountability system. The state board of education and the state board for  
35 charter schools shall review the effectiveness of each participating school  
36 and other information that is contained in the annual report prescribed in  
37 subsection D of this section. All pupils who participate in Arizona online  
38 instruction shall reside in this state. Pupils who participate in Arizona  
39 online instruction are subject to the testing requirements prescribed in  
40 chapter 7, article 3 of this title. Upon enrollment, the school shall notify  
41 the parents or guardians of the pupil of the state testing requirements. If  
42 a pupil fails to comply with the testing requirements and the school  
43 administers the tests pursuant to this subsection to less than ninety-five  
44 per cent of the pupils in Arizona online instruction, the pupil shall not be  
45 allowed to participate in Arizona online instruction.

1 C. Beginning July 1, 2010, the state board of education and the state  
2 board for charter schools shall develop annual reporting mechanisms for  
3 schools that participate in Arizona online instruction.

4 D. The department of education shall compile the information submitted  
5 in the annual reports by schools participating in Arizona online instruction.  
6 The department of education shall submit the compiled report to the governor,  
7 the speaker of the house of representatives and the president of the senate  
8 by November 15 of each year.

9 E. Each school selected for Arizona online instruction shall ensure  
10 that a daily log is maintained for each pupil who participates in Arizona  
11 online instruction. The daily log shall describe the amount of time spent by  
12 each pupil participating in Arizona online instruction pursuant to this  
13 section on academic tasks. The daily log shall be used by the school  
14 district or charter school to qualify the pupils who participate in Arizona  
15 online instruction in the school's average daily attendance calculations  
16 pursuant to ~~section 15-901~~ SUBSECTION F OF THIS SECTION.

17 F. If a pupil is enrolled in a school district or charter school and  
18 also participates in Arizona online instruction, the sum of the average daily  
19 membership, which includes enrollment as prescribed in section 15-901,  
20 subsection A, paragraph 2- 1, subdivisions (a) and (b) and daily attendance  
21 as prescribed in section 15-901, subsection A, paragraph 6- 5, for that pupil  
22 in the school district or charter school and in Arizona online instruction  
23 shall not exceed 1.0. If the pupil is enrolled in a school district or a  
24 charter school and also participates in Arizona online instruction and the  
25 sum of the daily membership or daily attendance for that pupil is greater  
26 than 1.0, the sum shall be reduced to 1.0 and shall be apportioned between  
27 the school district, unless the school district is a joint technical  
28 education district subject to the apportionment requirements of section  
29 15-393, or charter school and Arizona online instruction based on the  
30 percentage of total time that the pupil is enrolled or in attendance in the  
31 school district or charter school and Arizona online instruction. The  
32 uniform system of financial records shall include guidelines for the  
33 apportionment of the pupil enrollment and attendance as provided in this  
34 subsection. Pupils in Arizona online instruction do not incur absences for  
35 purposes of ~~section 15-901~~ THIS SUBSECTION and may generate an average daily  
36 attendance of 1.0 for attendance hours during any hour of the day, during any  
37 day of the week and at any time between July 1 and June 30 of each fiscal  
38 year. For kindergarten programs and grades one through eight, average daily  
39 membership shall be calculated by dividing the instructional hours as  
40 reported in the daily log required in subsection E of this section by the  
41 applicable hourly requirements prescribed in section 15-901. For grades nine  
42 through twelve, average daily membership shall be calculated by dividing the  
43 instructional hours as reported in the daily log required in subsection E of  
44 this section by nine hundred. The average daily membership of a pupil who  
45 participates in online instruction shall not exceed 1.0. Average daily

1 membership shall not be calculated on the one hundredth day of instruction  
2 for the purposes of this section. Funding shall be determined as follows:

3 1. A pupil who is enrolled full-time in Arizona online instruction  
4 shall be funded for online instruction at ninety-five per cent of the base  
5 support level that would be calculated for that pupil if that pupil were  
6 enrolled as a full-time student in a school district or charter school that  
7 does not participate in Arizona online instruction. Additional assistance,  
8 capital outlay revenue limit and soft capital allocation limit shall be  
9 calculated in the same manner they would be calculated if the student were  
10 enrolled in a district or charter school that does not participate in Arizona  
11 online instruction.

12 2. A pupil who is enrolled part-time in Arizona online instruction  
13 shall be funded for online instruction at eighty-five per cent of the base  
14 support level that would be calculated for that pupil if that pupil were  
15 enrolled as a part-time student in a school district or charter school that  
16 does not participate in Arizona online instruction. Additional assistance,  
17 capital outlay revenue limit and soft capital allocation limit shall be  
18 calculated in the same manner they would be calculated if the student were  
19 enrolled in a district or charter school that does not participate in Arizona  
20 online instruction.

21 G. If the academic achievement of a pupil declines while the pupil is  
22 participating in Arizona online instruction, the pupil's parents, the pupil's  
23 teachers and the principal or head teacher of the school shall confer to  
24 evaluate whether the pupil should be allowed to continue to participate in  
25 Arizona online instruction.

26 H. To ensure the academic integrity of pupils who participate in  
27 online instruction, Arizona online instruction shall include multiple diverse  
28 assessment measures and the proctored administration of required state  
29 standardized tests.

30 I. For the purposes of this section:

31 1. "Full-time student" means:

32 (a) A student who is at least five years of age before September 1 of  
33 a school year and who is enrolled in a school kindergarten program that meets  
34 at least three hundred forty six hours during the school year.

35 (b) A student who is at least six years of age before September 1 of a  
36 school year, who has not graduated from the highest grade taught in the  
37 school and who is regularly enrolled in a course of study required by the  
38 state board of education. For first, second and third grade students, the  
39 instructional program shall meet at least seven hundred twelve hours. For  
40 fourth, fifth and sixth grade students, the instructional program shall meet  
41 at least eight hundred ninety hours during the school year.

42 (c) Seventh and eighth grade students or ungraded students who are at  
43 least twelve, but under fourteen, years of age on or before September 1 and  
44 who are enrolled in an instructional program of courses that meets at least  
45 one thousand sixty-eight hours during the school year.

1 (d) For high schools, except as provided in section 15-105, a student  
2 not graduated from the highest grade taught in the school district, or an  
3 ungraded student at least fourteen years of age on or before September 1, and  
4 who is enrolled in at least four courses throughout the year that meet at  
5 least nine hundred hours during the school year. A full-time student shall  
6 not be counted more than once for computation of average daily membership.

7 2. "Online course provider" means a school other than an online school  
8 that is selected by the state board of education or the state board for  
9 charter schools to participate in Arizona online instruction pursuant to this  
10 section and that provides at least one online academic course that is  
11 approved by the state board of education.

12 3. "Online school" means a school that provides at least four online  
13 academic courses or one or more online courses for the equivalent of at least  
14 five hours each day for one hundred eighty school days and that is a charter  
15 school that is sponsored by the state board for charter schools or a  
16 traditional public school that is selected by the state board of education to  
17 participate in Arizona online instruction.

18 4. "Part-time student" means:

19 (a) Any student who is enrolled in a program that does not meet the  
20 definition in paragraph 1 of this subsection shall be funded at eighty-five  
21 per cent of the base support level that would be calculated for that pupil if  
22 that pupil were enrolled as a part-time student in a school district or  
23 charter school that does not participate in Arizona online instruction.

24 (b) A part-time student of seventy-five per cent average daily  
25 membership shall be enrolled in at least three subjects throughout the year  
26 that offer for first, second and third grade students at least five hundred  
27 thirty-four instructional hours in a school year and for fourth, fifth and  
28 sixth grade students at least six hundred sixty-eight instructional hours in  
29 a school year. A part-time student of fifty per cent average daily  
30 membership shall be enrolled in at least two subjects throughout the year  
31 that offer for first, second and third grade students at least three hundred  
32 fifty-six instructional hours in a school year and for fourth, fifth and  
33 sixth grade students at least four hundred forty-five instructional hours in  
34 a school year. A part-time student of twenty-five per cent average daily  
35 membership shall be enrolled in at least one subject throughout the year that  
36 offers for first, second and third grade students at least one hundred  
37 seventy-eight instructional hours in a school year and for fourth, fifth and  
38 sixth grade students at least two hundred twenty-three instructional hours in  
39 a school year.

40 (c) For seventh and eighth grade students, a part-time student of  
41 seventy-five per cent average daily membership shall be enrolled in at least  
42 three subjects throughout the year that offer at least eight hundred one  
43 instructional hours in a school year. A part-time student of fifty per cent  
44 average daily membership shall be enrolled in at least two subjects  
45 throughout the year that offer at least five hundred thirty-four

1 instructional hours in a school year. A part-time student of twenty-five per  
2 cent average daily membership shall be enrolled in at least one subject  
3 throughout the year that offers at least two hundred sixty-seven  
4 instructional hours in a school year.

5 (d) For high school students, a part-time student of seventy-five per  
6 cent average daily membership shall be enrolled in at least three subjects  
7 throughout the year that offer at least six hundred seventy-five  
8 instructional hours in a school year. A part-time student of fifty per cent  
9 average daily membership shall be enrolled in at least two subjects  
10 throughout the year that offer at least four hundred fifty instructional  
11 hours in a school year. A part-time student of twenty-five per cent average  
12 daily membership shall be enrolled in at least one subject throughout the  
13 year that offers at least two hundred twenty-five instructional hours in a  
14 school year.

15 Sec. 14. Repeal

16 Section 15-808, Arizona Revised Statutes, as amended by Laws 2010,  
17 chapter 318, section 10, is repealed.

18 Sec. 15. Section 15-901, Arizona Revised Statutes, as amended by Laws  
19 2010, seventh special session, chapter 8, section 2 and Laws 2010, second  
20 regular session, chapter 220, section 2, chapter 306, section 6 and chapter  
21 332, section 15, is amended to read:

22 15-901. Definitions

23 A. In this title, unless the context otherwise requires:

24 ~~1. "Average daily attendance" or "ADA" means actual average daily~~  
25 ~~attendance through the first one hundred days or two hundred days in session,~~  
26 ~~as applicable.~~

27 ~~2. 1. "Average daily membership" means the total enrollment of~~  
28 ~~fractional students and full-time students, minus withdrawals, of each school~~  
29 ~~day through the first one hundred days or two hundred days in session, as~~  
30 ~~applicable, for the current year WHO ARE ENROLLED ON SEPTEMBER 15, NOVEMBER~~  
31 ~~15, JANUARY 15 AND MARCH 15, DIVIDED BY FOUR. Withdrawals include students~~  
32 ~~formally withdrawn from schools and students absent for ten consecutive~~  
33 ~~school days, except for excused absences as identified by the department of~~  
34 ~~education. FOR THE PURPOSES OF THIS SECTION, SCHOOL DISTRICTS AND CHARTER~~  
35 ~~SCHOOLS SHALL REPORT STUDENT ABSENCE DATA TO THE DEPARTMENT OF EDUCATION AT~~  
36 ~~LEAST ONCE EVERY SIXTY DAYS IN SESSION. For computation purposes, the~~  
37 ~~effective date of withdrawal shall be retroactive to the last day of actual~~  
38 ~~attendance of the student OR EXCUSED ABSENCE.~~

39 (a) "Fractional student" means:

40 (i) For common schools, ~~until fiscal year 2001-2002,~~ a preschool child  
41 who is enrolled in a program for preschool children with disabilities of at  
42 least three hundred sixty minutes each week or a kindergarten student at  
43 least five years of age prior to January 1 of the school year and enrolled in  
44 a school kindergarten program that meets at least ~~three hundred forty-six~~  
45 ~~instructional hours during the minimum number of days required in a school~~

1 ~~year as provided in section 15-341. In fiscal year 2001-2002, the~~  
 2 ~~kindergarten program shall meet at least three hundred forty eight hours. In~~  
 3 ~~fiscal year 2002-2003, the kindergarten program shall meet at least three~~  
 4 ~~hundred fifty hours. In fiscal year 2003-2004, the kindergarten program~~  
 5 ~~shall meet at least three hundred fifty two hours. In fiscal year 2004-2005,~~  
 6 ~~the kindergarten program shall meet at least three hundred fifty four hours.~~  
 7 ~~In fiscal year 2005-2006 and each fiscal year thereafter, the kindergarten~~  
 8 ~~program shall meet at least three hundred fifty-six hours FOR A ONE HUNDRED~~  
 9 ~~EIGHTY DAY SCHOOL YEAR, OR THE INSTRUCTIONAL HOURS PRESCRIBED IN THIS~~  
 10 ~~SECTION. Lunch periods and recess periods may not be included as part of the~~  
 11 ~~instructional hours unless the child's individualized education program~~  
 12 ~~requires instruction during those periods and the specific reasons for such~~  
 13 ~~instruction are fully documented. In computing the average daily membership,~~  
 14 ~~preschool children with disabilities and kindergarten students shall be~~  
 15 ~~counted as one-half of a full-time student. For common schools, a part-time~~  
 16 ~~student is a student enrolled for less than the total time for a full-time~~  
 17 ~~student as defined in this section. A part-time common school student shall~~  
 18 ~~be counted as one-fourth, one-half or three-fourths of a full-time student if~~  
 19 ~~the student is enrolled in an instructional program that is at least~~  
 20 ~~one-fourth, one-half or three-fourths of the time a full-time student is~~  
 21 ~~enrolled as defined in subdivision (b) of this paragraph.~~

22 (ii) For high schools, a part-time student who is enrolled in less  
 23 than four subjects that count toward graduation as defined by the state board  
 24 of education in a recognized high school. ~~and who is taught in less than~~  
 25 ~~twenty instructional hours per week prorated for any week with fewer than~~  
 26 ~~five school days. A part-time high school student shall be counted as~~  
 27 ~~one fourth, one half or three fourths of a full-time student if the student~~  
 28 ~~is enrolled in an instructional program that is at least one fourth, one half~~  
 29 ~~or three fourths of a full-time instructional program as defined in~~  
 30 ~~subdivision (c) of this paragraph. THE AVERAGE DAILY MEMBERSHIP OF A~~  
 31 ~~PART-TIME HIGH SCHOOL STUDENT SHALL BE 0.75 IF THE STUDENT IS ENROLLED IN AN~~  
 32 ~~INSTRUCTIONAL PROGRAM OF THREE SUBJECTS THAT MEET AT LEAST FIVE HUNDRED~~  
 33 ~~EIGHTY HOURS FOR A ONE HUNDRED EIGHTY DAY SCHOOL YEAR, OR THE INSTRUCTIONAL~~  
 34 ~~HOURS PRESCRIBED IN THIS SECTION. THE AVERAGE DAILY MEMBERSHIP OF A~~  
 35 ~~PART-TIME HIGH SCHOOL STUDENT SHALL BE 0.5 IF THE STUDENT IS ENROLLED IN AN~~  
 36 ~~INSTRUCTIONAL PROGRAM OF TWO SUBJECTS THAT MEET AT LEAST THREE HUNDRED SIXTY~~  
 37 ~~HOURS FOR A ONE HUNDRED EIGHTY DAY SCHOOL YEAR, OR THE INSTRUCTIONAL HOURS~~  
 38 ~~PRESCRIBED IN THIS SECTION. THE AVERAGE DAILY MEMBERSHIP OF A PART-TIME HIGH~~  
 39 ~~SCHOOL STUDENT SHALL BE 0.25 IF THE STUDENT IS ENROLLED IN AN INSTRUCTIONAL~~  
 40 ~~PROGRAM OF ONE SUBJECT THAT MEETS AT LEAST ONE HUNDRED EIGHTY HOURS FOR A ONE~~  
 41 ~~HUNDRED EIGHTY DAY SCHOOL YEAR, OR THE INSTRUCTIONAL HOURS PRESCRIBED IN THIS~~  
 42 ~~SECTION.~~

43 (b) "Full-time student" means:

44 (i) For common schools, a student who is at least six years of age  
 45 prior to January 1 of a school year, who has not graduated from the highest

1 grade taught in the school district and who is regularly enrolled in a course  
2 of study required by the state board of education. ~~Until fiscal year~~  
3 ~~2001-2002, First, second and third grade students, ungraded students at least~~  
4 ~~six, but under nine, years of age by September 1 or ungraded group B children~~  
5 ~~with disabilities who are at least five, but under six, years of age by~~  
6 ~~September 1 must be enrolled in an instructional program that meets for a~~  
7 ~~total of at least six hundred ninety-two hours during the minimum number of~~  
8 ~~days required in a school year as provided in section 15-341. In fiscal year~~  
9 ~~2001-2002, the program shall meet at least six hundred ninety-six hours. In~~  
10 ~~fiscal year 2002-2003, the program shall meet at least seven hundred hours.~~  
11 ~~In fiscal year 2003-2004, the program shall meet at least seven hundred four~~  
12 ~~hours. In fiscal year 2004-2005, the program shall meet at least seven~~  
13 ~~hundred eight hours. In fiscal year 2005-2006 and in each fiscal year~~  
14 ~~thereafter, the program shall meet at least seven hundred twelve hours.~~  
15 ~~Until fiscal year 2001-2002, SEVEN HUNDRED TWELVE HOURS FOR A ONE HUNDRED~~  
16 ~~EIGHTY DAY SCHOOL YEAR, OR THE INSTRUCTIONAL HOURS PRESCRIBED IN THIS~~  
17 ~~SECTION. Fourth, fifth and sixth grade students or ungraded students at~~  
18 ~~least nine, but under twelve, years of age by September 1 must be enrolled in~~  
19 ~~an instructional program that meets for a total of at least eight hundred~~  
20 ~~sixty-five hours during the minimum number of school days required in a~~  
21 ~~school year as provided in section 15-341. In fiscal year 2001-2002, the~~  
22 ~~program shall meet at least eight hundred seventy hours. In fiscal year~~  
23 ~~2002-2003, the program shall meet at least eight hundred seventy-five hours.~~  
24 ~~In fiscal year 2003-2004, the program shall meet at least eight hundred~~  
25 ~~eighty hours. In fiscal year 2004-2005, the program shall meet at least~~  
26 ~~eight hundred eighty-five hours. In fiscal year 2005-2006 and each fiscal~~  
27 ~~year thereafter, the program shall meet at least eight hundred ninety hours.~~  
28 ~~Until fiscal year 2001-2002, LEAST EIGHT HUNDRED NINETY HOURS FOR A ONE~~  
29 ~~HUNDRED EIGHTY DAY SCHOOL YEAR, OR THE INSTRUCTIONAL HOURS PRESCRIBED IN THIS~~  
30 ~~SECTION. Seventh and eighth grade students or ungraded students at least~~  
31 ~~twelve, but under fourteen, years of age by September 1 must be enrolled in~~  
32 ~~an instructional program that meets for a total of at least one thousand~~  
33 ~~thirty-eight hours during the minimum number of days required in a school~~  
34 ~~year as provided in section 15-341. In fiscal year 2001-2002, the program~~  
35 ~~shall meet at least one thousand forty-four hours. In fiscal year 2002-2003,~~  
36 ~~the program shall meet at least one thousand fifty hours. In fiscal year~~  
37 ~~2003-2004, the program shall meet at least one thousand fifty-six hours. In~~  
38 ~~fiscal year 2004-2005, the program shall meet at least one thousand sixty-two~~  
39 ~~hours. In fiscal years 2005-2006 through 2009-2010, the program shall meet~~  
40 ~~at least one thousand sixty-eight hours. In fiscal year 2010-2011 and each~~  
41 ~~fiscal year thereafter, the program shall meet at least one thousand hours.~~  
42 ~~Lunch periods and recess periods may not be included as part of the~~  
43 ~~instructional hours unless the student is a child with a disability and the~~  
44 ~~child's individualized education program requires instruction during those~~  
45 ~~periods and the specific reasons for such instruction are fully documented.~~



(ii) For high schools, except as provided in section 15-105, a student not graduated from the highest grade taught in the school district, or an ungraded student at least fourteen years of age by September 1, and enrolled in at least a ~~full-time~~ AN instructional program of FOUR OR MORE subjects that count toward graduation as defined by the state board of education, THAT MEETS FOR A TOTAL OF AT LEAST SEVEN HUNDRED TWENTY HOURS FOR A ONE HUNDRED EIGHTY DAY SCHOOL YEAR, OR THE INSTRUCTIONAL HOURS PRESCRIBED IN THIS SECTION in a recognized high school. A full-time student shall not be counted more than once for computation of average daily membership. THE AVERAGE DAILY MEMBERSHIP OF A FULL-TIME HIGH SCHOOL STUDENT SHALL BE 1.0 IF THE STUDENT IS ENROLLED IN AT LEAST FOUR SUBJECTS THAT MEET AT LEAST SEVEN HUNDRED TWENTY HOURS FOR A ONE HUNDRED EIGHTY DAY SCHOOL YEAR, OR THE EQUIVALENT INSTRUCTIONAL HOURS PRESCRIBED IN THIS SECTION.

(iii) Except as otherwise provided by law, for a full-time high school student who is concurrently enrolled in two school districts or two charter schools, the average daily membership shall not exceed 1.0.

(iv) Except as otherwise provided by law, for any student who is concurrently enrolled in a school district and a charter school, the average daily membership shall be apportioned between the school district and the charter school and shall not exceed 1.0. The apportionment shall be based on the percentage of total time that the student is enrolled in or in attendance at the school district and the charter school.

(v) Except as otherwise provided by law, for any student who is concurrently enrolled, pursuant to section 15-808, in a school district and Arizona online instruction or a charter school and Arizona online instruction, the average daily membership shall be apportioned between the school district and Arizona online instruction or the charter school and Arizona online instruction and shall not exceed 1.0. The apportionment shall be based on the percentage of total time that the student is enrolled in or in attendance at the school district and Arizona online instruction or the charter school and Arizona online instruction.

(vi) For homebound or hospitalized, a student receiving at least four hours of instruction per week.

~~(c) "Full-time instructional program" means:~~

~~(i) Through fiscal year 2000-2001, at least four subjects, each of which, if taught each school day for the minimum number of days required in a school year, would meet a minimum of one hundred twenty hours a year, or the equivalent, or one or more subjects taught in amounts of time totaling at least twenty hours per week prorated for any week with fewer than five school days.~~

~~(ii) For fiscal year 2001-2002, an instructional program that meets at least a total of seven hundred four hours during the minimum number of days required and includes at least four subjects each of which, if taught each school day for the minimum number of days required in a school year, would meet a minimum of one hundred twenty-two hours a year, or the equivalent, or~~

~~one or more subjects taught in amounts of time totaling at least twenty hours per week prorated for any week with fewer than five school days.~~

~~(iii) For fiscal year 2002-2003, an instructional program that meets at least a total of seven hundred eight hours during the minimum number of days required and includes at least four subjects each of which, if taught each school day for the minimum number of days required in a school year, would meet a minimum of one hundred twenty two hours a year, or the equivalent, or one or more subjects taught in amounts of time totaling at least twenty hours per week prorated for any week with fewer than five school days.~~

~~(iv) For fiscal year 2003-2004, an instructional program that meets at least a total of seven hundred twelve hours during the minimum number of days required and includes at least four subjects each of which, if taught each school day for the minimum number of days required in a school year, would meet a minimum of one hundred twenty three hours a year, or the equivalent, or one or more subjects taught in amounts of time totaling at least twenty hours per week prorated for any week with fewer than five school days.~~

~~(v) For fiscal year 2004-2005, an instructional program that meets at least a total of seven hundred sixteen hours during the minimum number of days required and includes at least four subjects each of which, if taught each school day for the minimum number of days required in a school year, would meet a minimum of one hundred twenty three hours a year, or the equivalent, or one or more subjects taught in amounts of time totaling at least twenty hours per week prorated for any week with fewer than five school days.~~

~~(vi) For fiscal year 2005-2006 and each fiscal year thereafter, an instructional program that meets at least a total of seven hundred twenty hours during the minimum number of days required and includes at least four subjects each of which, if taught each school day for the minimum number of days required in a school year, would meet a minimum of one hundred twenty three hours a year, or the equivalent, or one or more subjects taught in amounts of time totaling at least twenty hours per week prorated for any week with fewer than five school days.~~

~~3. 2. "Budget year" means the fiscal year for which the school district is budgeting and which immediately follows the current year.~~

~~4. 3. "Common school district" means a political subdivision of this state offering instruction to students in programs for preschool children with disabilities and kindergarten programs and either:~~

~~(a) Grades one through eight.~~

~~(b) Grades one through nine pursuant to section 15-447.01.~~

~~5. 4. "Current year" means the fiscal year in which a school district is operating.~~

~~6. 5. "Daily attendance" means:~~

~~(a) For common schools, days in which a pupil:~~

1 (i) Of a kindergarten program or ungraded, but not group B children  
2 with disabilities, and at least five, but under six, years of age by  
3 September 1 attends at least three-quarters of the instructional time  
4 scheduled for the day. If the total instruction time scheduled for the year  
5 is at least three hundred forty-six hours but is less than six hundred  
6 ninety-two hours such attendance shall be counted as one-half day of  
7 attendance. If the instructional time scheduled for the year is at least six  
8 hundred ninety-two hours, "daily attendance" means days in which a pupil  
9 attends at least one-half of the instructional time scheduled for the day.  
10 Such attendance shall be counted as one-half day of attendance.

11 (ii) Of the first, second or third grades, ungraded and at least six,  
12 but under nine, years of age by September 1 or ungraded group B children with  
13 disabilities and at least five, but under six, years of age by September 1  
14 attends more than three-quarters of the instructional time scheduled for the  
15 day.

16 (iii) Of the fourth, fifth or sixth grades or ungraded and at least  
17 nine, but under twelve, years of age by September 1 attends more than  
18 three-quarters of the instructional time scheduled for the day, except as  
19 provided in section 15-797.

20 (iv) Of the seventh or eighth grades or ungraded and at least twelve,  
21 but under fourteen, years of age by September 1 attends more than  
22 three-quarters of the instructional time scheduled for the day, except as  
23 provided in section 15-797.

24 (b) For common schools, the attendance of a pupil at three-quarters or  
25 less of the instructional time scheduled for the day shall be counted as  
26 follows, except as provided in section 15-797 and except that attendance for  
27 a fractional student shall not exceed the pupil's fractional membership:

28 (i) If attendance for all pupils in the school is based on quarter  
29 days, the attendance of a pupil shall be counted as one-fourth of a day's  
30 attendance for each one-fourth of full-time instructional time attended.

31 (ii) If attendance for all pupils in the school is based on half days,  
32 the attendance of at least three-quarters of the instructional time scheduled  
33 for the day shall be counted as a full day's attendance and attendance at a  
34 minimum of one-half but less than three-quarters of the instructional time  
35 scheduled for the day equals one-half day of attendance.

36 (c) For common schools, the attendance of a preschool child with  
37 disabilities shall be counted as one-fourth day's attendance for each  
38 thirty-six minutes of attendance not including lunch periods and recess  
39 periods, except as provided in paragraph 2, subdivision (a), item (i) of this  
40 subsection for children with disabilities up to a maximum of three hundred  
41 sixty minutes each week.

42 (d) For high schools or ungraded schools in which the pupil is at  
43 least fourteen years of age by September 1, the attendance of a pupil shall  
44 not be counted as a full day unless the pupil is actually and physically in  
45 attendance and enrolled in and carrying four subjects, each of which, if

1 taught each school day for the minimum number of days required in a school  
2 year, would meet a minimum of one hundred twenty hours a year, or the  
3 equivalent, that count toward graduation in a recognized high school except  
4 as provided in section 15-797 and subdivision (e) of this paragraph.  
5 Attendance of a pupil carrying less than the load prescribed shall be  
6 prorated.

7 (e) For high schools or ungraded schools in which the pupil is at  
8 least fourteen years of age by September 1, the attendance of a pupil may be  
9 counted as one-fourth of a day's attendance for each sixty minutes of  
10 instructional time in a subject that counts toward graduation, except that  
11 attendance for a pupil shall not exceed the pupil's full or fractional  
12 membership.

13 (f) For homebound or hospitalized, a full day of attendance may be  
14 counted for each day during a week in which the student receives at least  
15 four hours of instruction.

16 (g) For school districts which maintain school for an approved  
17 year-round school year operation, attendance shall be based on a computation,  
18 as prescribed by the superintendent of public instruction, of the one hundred  
19 eighty days' equivalency or two hundred days' equivalency, as applicable, of  
20 instructional time as approved by the superintendent of public instruction  
21 during which each pupil is enrolled.

22 ~~7-~~ 6. "Daily route mileage" means the sum of:

23 (a) The total number of miles driven daily by all buses of a school  
24 district while transporting eligible students from their residence to the  
25 school of attendance and from the school of attendance to their residence on  
26 scheduled routes approved by the superintendent of public instruction.

27 (b) The total number of miles driven daily on routes approved by the  
28 superintendent of public instruction for which a private party, a political  
29 subdivision or a common or a contract carrier is reimbursed for bringing an  
30 eligible student from the place of his residence to a school transportation  
31 pickup point or to the school of attendance and from the school  
32 transportation scheduled return point or from the school of attendance to his  
33 residence. Daily route mileage includes the total number of miles necessary  
34 to drive to transport eligible students from and to their residence as  
35 provided in this paragraph.

36 ~~8-~~ 7. "District support level" means the base support level plus the  
37 transportation support level.

38 ~~9-~~ 8. "Eligible students" means:

39 (a) Students who are transported by or for a school district and who  
40 qualify as full-time students or fractional students, except students for  
41 whom transportation is paid by another school district or a county school  
42 superintendent, and:

43 (i) For common school students, whose place of actual residence within  
44 the school district is more than one mile from the school facility of  
45 attendance or students who are admitted pursuant to section 15-816.01 and who

1 meet the economic eligibility requirements established under the national  
2 school lunch and child nutrition acts (42 United States Code sections 1751  
3 through 1785) for free or reduced price lunches and whose actual place of  
4 residence outside the school district boundaries is more than one mile from  
5 the school facility of attendance.

6 (ii) For high school students, whose place of actual residence within  
7 the school district is more than one and one-half miles from the school  
8 facility of attendance or students who are admitted pursuant to section  
9 15-816.01 and who meet the economic eligibility requirements established  
10 under the national school lunch and child nutrition acts (42 United States  
11 Code sections 1751 through 1785) for free or reduced price lunches and whose  
12 actual place of residence outside the school district boundaries is more than  
13 one and one-half miles from the school facility of attendance.

14 (b) Kindergarten students, for purposes of computing the number of  
15 eligible students under subdivision (a), item (i) of this paragraph, shall be  
16 counted as full-time students, notwithstanding any other provision of law.

17 (c) Children with disabilities, as defined by section 15-761, who are  
18 transported by or for the school district or who are admitted pursuant to  
19 chapter 8, article 1.1 of this title and who qualify as full-time students or  
20 fractional students regardless of location or residence within the school  
21 district or children with disabilities whose transportation is required by  
22 the pupil's individualized education program.

23 (d) Students whose residence is outside the school district and who  
24 are transported within the school district on the same basis as students who  
25 reside in the school district.

26 ~~10-~~ 9. "Enrolled" or "enrollment" means when a pupil is currently  
27 registered in the school district.

28 ~~11-~~ 10. "GDP price deflator" means the average of the four implicit  
29 price deflators for the gross domestic product reported by the United States  
30 department of commerce for the four quarters of the calendar year.

31 ~~12-~~ 11. "High school district" means a political subdivision of this  
32 state offering instruction to students for grades nine through twelve or that  
33 portion of the budget of a common school district which is allocated to  
34 teaching high school subjects with permission of the state board of  
35 education.

36 ~~13-~~ 12. "Revenue control limit" means the base revenue control limit  
37 plus the transportation revenue control limit.

38 ~~14-~~ 13. "Student count" means average daily membership as prescribed  
39 in this subsection for the fiscal year prior to the current year, except that  
40 for the purpose of budget preparation student count means average daily  
41 membership as prescribed in this subsection for the current year.

42 ~~15-~~ 14. "Submit electronically" means submitted in a format and in a  
43 manner prescribed by the department of education.

44 ~~16-~~ 15. "Total bus mileage" means the total number of miles driven by  
45 all buses of a school district during the school year.

1       ~~17-~~ 16. "Total students transported" means all eligible students  
2 transported from their place of residence to a school transportation pickup  
3 point or to the school of attendance and from the school of attendance or  
4 from the school transportation scheduled return point to their place of  
5 residence.

6       ~~18-~~ 17. "Unified school district" means a political subdivision of the  
7 state offering instruction to students in programs for preschool children  
8 with disabilities and kindergarten programs and grades one through twelve.

9       B. In this title, unless the context otherwise requires:

10       1. "Base" means the revenue level per student count specified by the  
11 legislature.

12       2. "Base level" means the following amounts plus the percentage  
13 increases to the base level as provided in sections 15-902.02, 15-918.04,  
14 15-919.04 and 15-952, except that if a school district or charter school is  
15 eligible for an increase in the base level as provided in two or more of  
16 these sections, the base level amount shall be calculated by compounding  
17 rather than adding the sum of one plus the percentage of the increase from  
18 those different sections:

19       (a) For fiscal year 2007-2008, three thousand two hundred twenty-six  
20 dollars eighty-eight cents.

21       (b) For fiscal year 2008-2009, three thousand two hundred ninety-one  
22 dollars forty-two cents.

23       (c) For fiscal years 2009-2010 and 2010-2011, three thousand two  
24 hundred sixty-seven dollars seventy-two cents.

25       3. "Base revenue control limit" means the base revenue control limit  
26 computed as provided in section 15-944.

27       4. "Base support level" means the base support level as provided in  
28 section 15-943.

29       5. "Certified teacher" means a person who is certified as a teacher  
30 pursuant to the rules adopted by the state board of education, who renders  
31 direct and personal services to school children in the form of instruction  
32 related to the school district's educational course of study and who is paid  
33 from the maintenance and operation section of the budget.

34       6. "DD" means programs for children with developmental delays who are  
35 at least three years of age but under ten years of age. A preschool child  
36 who is categorized under this paragraph is not eligible to receive funding  
37 pursuant to section 15-943, paragraph 2, subdivision (b).

38       7. "ED, MIMR, SLD, SLI and OHI" means programs for children with  
39 emotional disabilities, mild mental retardation, a specific learning  
40 disability, a speech/language impairment and other health impairments. A  
41 preschool child who is categorized as SLI under this paragraph is not  
42 eligible to receive funding pursuant to section 15-943, paragraph 2,  
43 subdivision (b).

1       8. "ED-P" means programs for children with emotional disabilities who  
2 are enrolled in private special education programs as prescribed in section  
3 15-765, subsection D, paragraph 1 or in an intensive school district program  
4 as provided in section 15-765, subsection D, paragraph 2.

5       9. "ELL" means English learners who do not speak English or whose  
6 native language is not English, who are not currently able to perform  
7 ordinary classroom work in English and who are enrolled in an English  
8 language education program pursuant to sections 15-751, 15-752 and 15-753.

9       10. "Full-time equivalent certified teacher" or "FTE certified teacher"  
10 means for a certified teacher the following:

11       (a) If employed full time as defined in section 15-501, 1.00.

12       (b) If employed less than full time, multiply 1.00 by the percentage  
13 of a full school day, or its equivalent, or a full class load, or its  
14 equivalent, for which the teacher is employed as determined by the governing  
15 board.

16       11. "Group A" means educational programs for career exploration, a  
17 specific learning disability, an emotional disability, mild mental  
18 retardation, remedial education, a speech/language impairment, developmental  
19 delay, homebound, bilingual, other health impairments and gifted pupils.

20       12. "Group B" means educational improvements for pupils in kindergarten  
21 programs and grades one through three, educational programs for autism, a  
22 hearing impairment, moderate mental retardation, multiple disabilities,  
23 multiple disabilities with severe sensory impairment, orthopedic impairments,  
24 preschool severe delay, severe mental retardation and emotional disabilities  
25 for school age pupils enrolled in private special education programs or in  
26 school district programs for children with severe disabilities or visual  
27 impairment and English learners enrolled in a program to promote English  
28 language proficiency pursuant to section 15-752.

29       13. "HI" means programs for pupils with hearing impairment.

30       14. "Homebound" or "hospitalized" means a pupil who is capable of  
31 profiting from academic instruction but is unable to attend school due to  
32 illness, disease, accident or other health conditions, who has been examined  
33 by a competent medical doctor and who is certified by that doctor as being  
34 unable to attend regular classes for a period of not less than three school  
35 months or a pupil who is capable of profiting from academic instruction but  
36 is unable to attend school regularly due to chronic or acute health problems,  
37 who has been examined by a competent medical doctor and who is certified by  
38 that doctor as being unable to attend regular classes for intermittent  
39 periods of time totaling three school months during a school year. The  
40 medical certification shall state the general medical condition, such as  
41 illness, disease or chronic health condition, that is the reason that the  
42 pupil is unable to attend school. Homebound or hospitalized includes a  
43 student who is unable to attend school for a period of less than three months  
44 due to a pregnancy if a competent medical doctor, after an examination,

1 certifies that the student is unable to attend regular classes due to risk to  
2 the pregnancy or to the student's health.

3 15. "K-3" means kindergarten programs and grades one through three.

4 16. "MD-R, A-R and SMR-R" means resource programs for pupils with  
5 multiple disabilities, autism and severe mental retardation.

6 17. "MD-SC, A-SC and SMR-SC" means self-contained programs for pupils  
7 with multiple disabilities, autism and severe mental retardation.

8 18. "MDSSI" means a program for pupils with multiple disabilities with  
9 severe sensory impairment.

10 19. "MOMR" means programs for pupils with moderate mental retardation.

11 20. "OI-R" means a resource program for pupils with orthopedic  
12 impairments.

13 21. "OI-SC" means a self-contained program for pupils with orthopedic  
14 impairments.

15 22. "PSD" means preschool programs for children with disabilities as  
16 provided in section 15-771.

17 23. "P-SD" means programs for children who meet the definition of  
18 preschool severe delay as provided in section 15-771.

19 24. "Qualifying tax rate" means the qualifying tax rate specified in  
20 section 15-971 applied to the assessed valuation used for primary property  
21 taxes.

22 25. "Small isolated school district" means a school district which  
23 meets all of the following:

24 (a) Has a student count of fewer than six hundred in kindergarten  
25 programs and grades one through eight or grades nine through twelve.

26 (b) Contains no school which is fewer than thirty miles by the most  
27 reasonable route from another school, or, if road conditions and terrain make  
28 the driving slow or hazardous, fifteen miles from another school which  
29 teaches one or more of the same grades and is operated by another school  
30 district in this state.

31 (c) Is designated as a small isolated school district by the  
32 superintendent of public instruction.

33 26. "Small school district" means a school district which meets all of  
34 the following:

35 (a) Has a student count of fewer than six hundred in kindergarten  
36 programs and grades one through eight or grades nine through twelve.

37 (b) Contains at least one school which is fewer than thirty miles by  
38 the most reasonable route from another school which teaches one or more of  
39 the same grades and is operated by another school district in this state.

40 (c) Is designated as a small school district by the superintendent of  
41 public instruction.

42 27. "Transportation revenue control limit" means the transportation  
43 revenue control limit computed as prescribed in section 15-946.

44 28. "Transportation support level" means the support level for pupil  
45 transportation operating expenses as provided in section 15-945.



1       29. "VI" means programs for pupils with visual impairments.

2       30. "Voc. Ed." means career and technical education and vocational  
3 education programs, as defined in section 15-781.

4       Sec. 16. Repeal

5       Section 15-901, Arizona Revised Statutes, as amended by Laws 2010,  
6 chapter 318, section 12, is repealed.

7       Sec. 17. Section 15-1021, Arizona Revised Statutes, as amended by Laws  
8 2010, chapter 17, section 16, is amended to read:

9       15-1021. Limitation on bonded indebtedness; limitation on  
10 authorization and issuance of bonds

11       A. Until December 31, 1999, a school district may issue class A bonds  
12 for the purposes specified in this section and chapter 4, article 5 of this  
13 title to an amount in the aggregate, including the existing indebtedness, not  
14 exceeding fifteen per cent of the taxable property used for secondary  
15 property tax purposes, as determined pursuant to title 42, chapter 15,  
16 article 1, within a school district as ascertained by the last property tax  
17 assessment previous to issuing the bonds.

18       B. From and after December 31, 1998, a school district may issue class  
19 B bonds for the purposes specified in this section and chapter 4, article 5  
20 of this title to an amount in the aggregate, including the existing class B  
21 indebtedness, not exceeding five per cent of the taxable property used for  
22 secondary property tax purposes, as determined pursuant to title 42, chapter  
23 15, article 1, within a school district as ascertained by the last assessment  
24 of state and county taxes previous to issuing the bonds, or one thousand five  
25 hundred dollars per student ~~count as determined pursuant to section 15-902~~  
26 AVERAGE DAILY MEMBERSHIP, whichever amount is greater. A school district  
27 shall not issue class B bonds until the proceeds of any class A bonds issued  
28 by the school district have been obligated in contract. The total amount of  
29 class A and class B bonds issued by a school district shall not exceed the  
30 debt limitations prescribed in article IX, section 8, Constitution of  
31 Arizona.

32       C. Until December 31, 1999, a unified school district, as defined  
33 under article IX, section 8.1, Constitution of Arizona, may issue class A  
34 bonds for the purposes specified in this section and chapter 4, article 5 of  
35 this title to an amount in the aggregate, including the existing  
36 indebtedness, not exceeding thirty per cent of the taxable property used for  
37 secondary property tax purposes, as determined pursuant to title 42, chapter  
38 15, article 1, within a unified school district as ascertained by the last  
39 property tax assessment previous to issuing the bonds.

40       D. From and after December 31, 1998, a unified school district, as  
41 defined under article IX, section 8.1, Constitution of Arizona, may issue  
42 class B bonds for the purposes specified in this section and chapter 4,  
43 article 5 of this title to an amount in the aggregate, including the existing  
44 class B indebtedness, not exceeding ten per cent of the taxable property used  
45 for secondary tax purposes, as determined pursuant to title 42, chapter 15,

1 article 1, within a school district as ascertained by the last assessment of  
2 state and county taxes previous to issuing the bonds, or one thousand five  
3 hundred dollars per student ~~count as determined pursuant to section 15-902~~  
4 AVERAGE DAILY MEMBERSHIP, whichever amount is greater. A unified school  
5 district shall not issue class B bonds until the proceeds of any class A  
6 bonds issued by the unified school district have been obligated in contract.  
7 The total amount of class A and class B bonds issued by a unified school  
8 district shall not exceed the debt limitations prescribed in article IX,  
9 section 8.1, Constitution of Arizona.

10 E. No bonds authorized to be issued by an election held after July 1,  
11 1980 and before November 24, 2009 may be issued more than six years after the  
12 date of the election, except that class A bonds shall not be issued after  
13 December 31, 1999. No bonds authorized to be issued by an election held  
14 after November 24, 2009 may be issued more than ten years after the date of  
15 the election.

16 F. Except as provided in section 15-491, subsection A, paragraph 3,  
17 bond proceeds shall not be expended for items whose useful life is less than  
18 the average life of the bonds issued, except that bond proceeds shall not be  
19 expended for items whose useful life is less than five years.

20 G. A joint technical education district shall not spend class B bond  
21 proceeds to construct or renovate a facility located on the campus of a  
22 school in a school district that participates in the joint district unless  
23 the facility is only used to provide career and technical education and is  
24 available to all pupils who live within the joint technical education  
25 district. If the facility is not owned by the joint technical education  
26 district, an intergovernmental agreement or a written contract shall be  
27 executed for ten years or the duration of the bonded indebtedness, whichever  
28 is greater. The intergovernmental agreement or written contract shall  
29 include provisions:

30 1. That preserve the usage of the facility renovated or constructed,  
31 or both, only for career and technology programs operated by the joint  
32 technical education district.

33 2. That include the process to be used by the participating district  
34 to compensate the joint technical education district in the event that the  
35 facility is no longer used only for career and technology education programs  
36 offered by the joint technical education district during the life of the  
37 bond.

38 H. A school district shall not authorize, issue or sell bonds pursuant  
39 to this section if the school district has any existing indebtedness from  
40 impact aid revenue bonds pursuant to chapter 16, article 8 of this title,  
41 except for bonds issued to refund any bonds issued by the governing board.

42 Sec. 18. Repeal

43 Section 15-1021, Arizona Revised Statutes, as amended by Laws 2010,  
44 chapter 318, section 19, is repealed.

1       Sec. 19. Section 15-1371, Arizona Revised Statutes, as amended by Laws  
2       2010, chapter 306, section 14, is amended to read:

3       15-1371. Equalization assistance for state educational system  
4               for committed youth; state education fund for  
5               committed youth

6       A. The superintendent of the state educational system for committed  
7       youth shall calculate a base support level as prescribed in section 15-943  
8       and a capital outlay revenue limit as prescribed in section 15-961 for the  
9       educational system established pursuant to section 41-2831, except that:

10      1. Notwithstanding section 15-901:

11      (a) The student count shall be determined using the following  
12      definitions:

13      (i) "Daily attendance" means days in which a pupil attends an  
14      educational program for a minimum of two hundred forty minutes not including  
15      meal and recess periods. Attendance for one hundred twenty or more minutes  
16      but fewer than two hundred forty minutes shall be counted as one-half day's  
17      attendance.

18      (ii) "Fractional student" means a pupil enrolled in an educational  
19      program of one hundred twenty or more minutes but fewer than two hundred  
20      forty minutes a day not including meal and recess periods. A fractional  
21      student shall be counted as one-half of a full-time student.

22      (iii) "Full-time student" means a pupil enrolled in an educational  
23      program for a minimum of two hundred forty minutes a day not including meal  
24      and recess periods.

25      (b) "Seriously emotionally disabled pupils enrolled in a school  
26      district program as provided in section 15-765" includes seriously  
27      emotionally disabled pupils enrolled in the department of juvenile  
28      corrections school system.

29      2. All pupils shall be counted as if they were enrolled in grades nine  
30      through twelve.

31      3. The teacher experience index is 1.00.

32      4. The base support level shall be calculated using the base level  
33      multiplied by 1.0, except that the state educational system for committed  
34      youth is also eligible beginning with fiscal year 1992-1993 for additional  
35      teacher compensation monies as specified in section 15-952.

36      5. Section 15-943, paragraph 1 does not apply.

37      B. The superintendent may use sections 15-855 and 15-948 in making the  
38      calculations prescribed in subsection A of this section, except that for the  
39      1992-1993 fiscal year rapid decline shall not be used. The superintendent of  
40      the system and the department of education shall prescribe procedures for  
41      determining ~~average daily attendance and average daily membership.~~

42      C. Equalization assistance for the state educational system for  
43      committed youth for the budget year is determined by adding the amount of the  
44      base support level and the capital outlay revenue limit for the budget year  
45      calculated as prescribed in subsection A of this section.

1 D. The state educational system for committed youth shall not receive  
2 twenty-five per cent of the equalization assistance unless it is accredited  
3 by the north central association of colleges and secondary schools.

4 E. The state education fund for committed youth is established. Fund  
5 monies shall be used for the purposes of the state educational system for  
6 committed youth, and notwithstanding section 35-173, monies appropriated to  
7 the fund shall not be transferred to or used for any program not within the  
8 state educational system for committed youth. State equalization assistance  
9 for the state educational system for committed youth as determined in  
10 subsection A of this section, other state and federal monies received from  
11 the department of education for the state educational system for committed  
12 youth and monies appropriated for the state educational system for committed  
13 youth, except monies appropriated pursuant to subsection F of this section,  
14 shall be deposited in the fund. The state treasurer shall maintain separate  
15 accounts for fund monies if the separate accounts are required by statute or  
16 federal law.

17 F. The department of juvenile corrections may seek appropriations for  
18 capital needs for land, buildings and improvements, including repairs and  
19 maintenance, required to maintain the state educational system for committed  
20 youth.

21 G. The state board of education shall apportion state aid and deposit  
22 it, pursuant to sections 35-146 and 35-147, in the state education fund for  
23 committed youth in an amount as determined by subsection A of this section.  
24 The apportionments shall be as follows:

25 1. On July 1, one-third of the total amount to be apportioned during  
26 the fiscal year.

27 2. On October 15, one-twelfth of the total amount to be apportioned  
28 during the fiscal year.

29 3. On December 15, one-twelfth of the total amount to be apportioned  
30 during the fiscal year.

31 4. On January 15, one-twelfth of the total amount to be apportioned  
32 during the fiscal year.

33 5. On February 15, one-twelfth of the total amount to be apportioned  
34 during the fiscal year.

35 6. On March 15, one-twelfth of the total amount to be apportioned  
36 during the fiscal year.

37 7. On April 15, one-twelfth of the total amount to be apportioned  
38 during the fiscal year.

39 8. On May 15, one-twelfth of the total amount to be apportioned during  
40 the fiscal year.

41 9. On June 15, one-twelfth of the total amount to be apportioned  
42 during the fiscal year.

43 H. In conjunction with the department of administration, the  
44 superintendent of the state educational system for committed youth shall  
45 establish procedures to account for the receipt and expenditure of state

1 education fund for committed youth monies by modifying the current accounting  
2 system used for state agencies as necessary.

3 Sec. 20. Repeal

4 Section 15-1371, Arizona Revised Statutes, as amended by Laws 2010,  
5 chapter 318, section 20, is repealed.

6 Sec. 21. Section 15-1372, Arizona Revised Statutes, as amended by Laws  
7 2010, chapter 306, section 15, is amended to read:

8 15-1372. Equalization assistance for state educational system  
9 for persons in the state department of corrections:  
10 fund

11 A. The state department of corrections shall provide educational  
12 services for pupils who are under the age of eighteen years and pupils with  
13 disabilities who are age twenty-one or younger who are committed to the state  
14 department of corrections. The department of education shall provide  
15 technical assistance to the state department of corrections on request and  
16 shall assist the state department of corrections in establishing program and  
17 personnel standards.

18 B. The state education fund for correctional education is established.  
19 Subject to legislative appropriation, fund monies shall be used for the  
20 purposes of providing education to pupils as specified in subsection A of  
21 this section. Notwithstanding section 35-173, monies appropriated to the  
22 fund shall not be transferred to or used for any program not directly related  
23 to the educational services required by this section. State equalization  
24 assistance, other state and federal monies received from the department of  
25 education for which the pupils in correctional education programs qualify and  
26 monies appropriated for correctional education except monies appropriated  
27 pursuant to subsection C of this section shall be deposited in the fund. The  
28 state treasurer shall maintain separate accounts for fund monies if the  
29 separate accounts are required by statute or federal law.

30 C. The state department of corrections may seek appropriations for  
31 capital needs for land, buildings and improvements, including repairs and  
32 maintenance, required to maintain the educational services required by this  
33 section.

34 D. The state board of education shall apportion state aid and deposit  
35 it, pursuant to sections 35-146 and 35-147, in the state education fund for  
36 correctional education in an amount as determined by subsection E of this  
37 section. The apportionments are as follows:

38 1. On July 1, one-third of the total amount to be apportioned during  
39 the fiscal year.

40 2. On October 15, one-twelfth of the total amount to be apportioned  
41 during the fiscal year.

42 3. On December 15, one-twelfth of the total amount to be apportioned  
43 during the fiscal year.

44 4. On January 15, one-twelfth of the total amount to be apportioned  
45 during the fiscal year.

1           5. On February 15, one-twelfth of the total amount to be apportioned  
2 during the fiscal year.

3           6. On March 15, one-twelfth of the total amount to be apportioned  
4 during the fiscal year.

5           7. On April 15, one-twelfth of the total amount to be apportioned  
6 during the fiscal year.

7           8. On May 15, one-twelfth of the total amount to be apportioned during  
8 the fiscal year.

9           9. On June 15, one-twelfth of the total amount to be apportioned  
10 during the fiscal year.

11          E. The director of the state department of corrections shall calculate  
12 a base support level as prescribed in section 15-943 and a capital outlay  
13 revenue limit as prescribed in section 15-961 for the educational services  
14 required by this section, except that:

15           1. Notwithstanding section 15-901, the student count shall be  
16 determined using the following definitions:

17           (a) "Daily attendance" means days in which a pupil attends an  
18 educational program for a minimum of one hundred eighty minutes not including  
19 meal and recess periods. Attendance for ninety or more minutes but fewer  
20 than one hundred eighty minutes shall be counted as one-half day's  
21 attendance.

22           (b) "Fractional student" means a pupil enrolled in an educational  
23 program of ninety or more minutes but fewer than one hundred eighty minutes  
24 per day not including meal and recess periods. A fractional student shall be  
25 counted as one-half of a full-time student.

26           (c) "Full-time student" means a pupil enrolled in an educational  
27 program for a minimum of one hundred eighty minutes per day not including  
28 meal and recess periods.

29           (d) "Pupil with a disability" has the same meaning as child with a  
30 disability prescribed in section 15-761.

31           2. All pupils shall be counted as if they were enrolled in grades nine  
32 through twelve.

33           3. The teacher experience index is 1.00.

34           4. The calculation for additional teacher compensation monies as  
35 prescribed in section 15-952 is available.

36           5. Section 15-943, paragraph 1 does not apply.

37           6. The base support level and capital outlay amounts calculated  
38 pursuant to this section shall be multiplied by 0.67.

39           7. The school year shall consist of a period of not less than two  
40 hundred eight days.

41          F. The director of the state department of corrections may use  
42 sections 15-855 and 15-948 in making the calculations prescribed in  
43 subsection E of this section. The director of the state department of  
44 corrections and the department of education shall prescribe procedures for  
45 calculating ~~average daily attendance and average daily membership.~~

1 G. Equalization assistance for correctional education programs  
2 provided for those pupils specified in subsection A of this section is  
3 determined by adding the amount of the base support level and the capital  
4 outlay revenue limit for the budget year calculated as prescribed in  
5 subsection E of this section.

6 H. The director of the state department of corrections shall keep  
7 records and provide information as the department of education requires to  
8 determine the appropriate amount of equalization assistance. Equalization  
9 assistance shall be used to provide educational services in this section.

10 I. The department of education and the state department of corrections  
11 shall enter into an intergovernmental agreement that establishes the  
12 necessary accountability between the two departments regarding the  
13 administrative and funding requirements contained in subsections A and B of  
14 this section. The agreement shall:

15 1. Provide for appropriate education to all committed youths as  
16 required by state and federal law.

17 2. Provide financial information to meet requirements for equalization  
18 assistance.

19 3. Provide for appropriate pupil intake and assessment procedures.

20 4. Require pupil performance assessment and the reporting of results.

21 Sec. 22. Repeal

22 Section 15-1372, Arizona Revised Statutes, as amended by Laws 2010,  
23 chapter 318, section 21, is repealed.

24 Sec. 23. Section 15-1682.03, Arizona Revised Statutes, as amended by  
25 Laws 2010, seventh special session, chapter 12, section 8, is amended to  
26 read:

27 15-1682.03. University capital improvement lease-to-own and  
28 bond fund; lease-to-own and bond capital  
29 improvement agreements

30 A. The university capital improvement lease-to-own and bond fund is  
31 established consisting of the monies provided by the Arizona board of regents  
32 pursuant to this section, monies deposited pursuant to section 5-522 and  
33 monies appropriated by the legislature. The board shall administer the fund.  
34 On notice from the board, the state treasurer shall invest and divest monies  
35 in the fund as provided by section 35-313, and monies earned from investment  
36 shall be credited to the fund. Monies in the fund are exempt from the  
37 provisions of section 35-190 relating to lapsing of appropriations.

38 B. Through revenues of the state university system, the board shall  
39 annually provide monies to the fund of at least twenty per cent of the  
40 aggregate annual payments of lease-to-own and bond agreements entered into by  
41 the board pursuant to this section.

42 C. The board shall distribute monies in the fund to make payments  
43 pursuant to lease-to-own and bond agreements entered into by the board  
44 pursuant to this section. The board may enter into lease-to-own and bond  
45 agreements for the purposes of building renewal projects and new facilities.

1 New lease-to-own and bond agreements entered into pursuant to this section  
2 shall not exceed one hundred sixty-seven million six hundred seventy-one  
3 thousand two hundred dollars in fiscal year 2008-2009 and four hundred  
4 million dollars in fiscal year 2009-2010. The board may enter into  
5 lease-to-own and bond transactions up to a maximum of eight hundred million  
6 dollars.

7 D. Notwithstanding section 5-522, subsection F- G, the amount of state  
8 lottery revenues distributed to the university capital improvement  
9 lease-to-own and bond fund in fiscal year 2009-2010 and fiscal year 2010-2011  
10 shall not exceed an amount sufficient for up to eighty per cent of the annual  
11 payments of the first one hundred sixty-seven million six hundred seventy-one  
12 thousand two hundred dollars of new lease-to-own and bond agreements entered  
13 into pursuant to this section. The full amount of state lottery revenues  
14 distributed to the university capital improvement lease-to-own and bond fund  
15 pursuant to section 5-522, subsection F- G shall be made available to the  
16 board for the remaining new lease-to-own and bond agreements up to eight  
17 hundred million dollars beginning in fiscal year 2011-2012.

18 E. In entering into lease-to-own and bond agreements pursuant to this  
19 section, the board shall not obligate this state to provide any additional  
20 monies from the state lottery fund above the amounts authorized in this  
21 section and section 5-522, subsection F- G. In entering into lease-to-own  
22 and bond agreements pursuant to this section, the board shall not obligate  
23 any state general fund monies.

24 Sec. 24. Repeal

25 Section 15-1682.03, Arizona Revised Statutes, as amended by Laws 2011,  
26 second special session, chapter 1, section 9, is repealed.

27 Sec. 25. Section 15-1782, Arizona Revised Statutes, as amended by Laws  
28 2010, chapter 257, section 1, is amended to read:

29 15-1782. Mathematics, science, special education and elementary  
30 education teacher student loans; requirements;  
31 report

32 A. The ~~board~~ COMMISSION may grant loans from the mathematics, science  
33 and special education teacher student loan fund established by section  
34 15-1784 to defray ~~in-state~~ tuition, instructional materials and mandatory  
35 fees of the education of students who are pursuing a teaching degree at a  
36 ~~university under the jurisdiction of the board~~ QUALIFYING POSTSECONDARY  
37 INSTITUTION and who are deemed qualified by the ~~board~~ COMMISSION to receive  
38 these loans. Loans shall be granted on such terms and conditions as may be  
39 imposed by the ~~board~~ COMMISSION and shall be distributed on a first come,  
40 first served basis.

41 B. The ~~board~~ COMMISSION shall grant loans to qualified applicants who  
42 ~~are classified as in-state students for tuition purposes pursuant to section~~  
43 ~~15-1802 and who agree to provide instruction in the area of mathematics,~~  
44 science or special education in a public school in this state or in  
45 elementary education in a public school that is located in a geographic area



1 in this state that is experiencing a shortage of teachers, as determined by  
2 the state board of education. The board shall allocate no more than  
3 twenty-five per cent of the annual amount appropriated for loans to  
4 applicants who agree to provide instruction in elementary education.

5 C. The loans granted by the ~~board~~ COMMISSION shall be ~~sufficient to~~  
6 ~~fully~~ USED TO cover the costs of ~~resident~~ tuition and mandatory fees for each  
7 loan recipient and may also defray the cost of instructional materials, BUT  
8 SHALL NOT EXCEED SEVEN THOUSAND DOLLARS EACH YEAR, EXCLUDING ALL GRANTS,  
9 SCHOLARSHIPS AND TUITION BENEFITS SUCH AS MILITARY, TRIBAL AND EMPLOYEE  
10 GRANTS, SCHOLARSHIPS AND BENEFITS. ~~If an applicant qualifies for federal~~  
11 ~~financial aid and receives federal grant aid, the loan amount shall be~~  
12 ~~limited to the amount of tuition and mandatory fees not covered by the~~  
13 ~~federal grant aid and may include a stipend for instructional materials.~~

14 D. The ~~board~~ COMMISSION shall adopt policies for screening qualified  
15 applicants based on ability, ~~character~~ and financial need, INCLUDING  
16 REQUIRING ALL APPLICANTS TO COMPLETE A FREE APPLICATION FOR STUDENT FEDERAL  
17 AID.

18 E. The ~~board~~ COMMISSION shall grant loans on the terms and conditions  
19 the ~~board~~ COMMISSION imposes. The ~~board~~ COMMISSION shall establish  
20 procedures for the timely repayment of loans plus interest at a rate  
21 determined by the ~~board~~ COMMISSION. The ~~board~~ COMMISSION is responsible for  
22 the collection of ~~loans that are in default~~ LOAN REPAYMENTS.

23 F. The ~~board~~ COMMISSION may ~~delegate authority to administer the loans~~  
24 ~~pursuant to this article to an institution under the jurisdiction of the~~  
25 ~~board~~ PARTNER WITH QUALIFYING POSTSECONDARY INSTITUTIONS TO ADMINISTER THESE  
26 LOANS. ~~If the board delegates authority, students pursuing a teaching degree~~  
27 ~~at each institution under the jurisdiction of the board shall be equally~~  
28 ~~eligible to participate. The board COMMISSION shall retain responsibility of~~  
29 ~~making~~ PROVIDE initial public notice of the availability of the loans and  
30 collect the application forms directly from each qualified applicant. The  
31 ~~board~~ COMMISSION shall forward the applications to the institution selected  
32 ~~to administer the loans~~ A REQUEST FOR VERIFICATION OF ATTENDANCE,  
33 SATISFACTORY ACADEMIC PROGRESS, FINANCIAL NEED AND ENROLLMENT IN A QUALIFIED  
34 PROGRAM TO THE INSTITUTION.

35 G. On or before December 1 of each year, the ~~Arizona board of regents~~  
36 COMMISSION shall submit an approved report to the governor, the speaker of  
37 the house of representatives, the president of the senate and the joint  
38 legislative budget committee. The ~~board~~ COMMISSION shall provide a copy of  
39 this report to the secretary of state and ~~the director of the Arizona state~~  
40 ~~library, archives and public records.~~ The report shall include the number of  
41 applicants, the number of loan recipients, the ~~university~~ QUALIFYING  
42 POSTSECONDARY INSTITUTION each loan recipient attends, the name of the school  
43 at which each loan recipient is employed, the number of good cause repayment  
44 exceptions granted by the ~~board~~ COMMISSION, the reason for each good cause  
45 exception granted and teacher retention data. The ~~board~~ COMMISSION shall

1 collect and maintain data on the retention of mathematics, science and  
2 special education teachers who received loans pursuant to this article. The  
3 ~~board~~ COMMISSION shall collect this data for at least five years after each  
4 loan recipient completes the recipient's service commitment.

5 Sec. 26. Repeal

6 Section 15-1782, Arizona Revised Statutes, as amended by Laws 2010,  
7 chapter 332, section 21, is repealed.

8 Sec. 27. Section 15-1783, Arizona Revised Statutes, as amended by Laws  
9 2010, chapter 257, section 2, is amended to read:

10 15-1783. Mathematics, science, special education and elementary  
11 education teacher student loans; interest;  
12 obligations; repayment; authority of attorney  
13 general

14 A. Each applicant who is approved for a loan by the ~~board~~ COMMISSION  
15 may be granted a loan for a period of up to five years.

16 B. The ~~board~~ COMMISSION, on behalf of this state, shall enter into a  
17 written contract with the QUALIFIED student. The contract shall set forth  
18 the methods and terms of repayment by the loan recipient to this state and  
19 shall be on terms and conditions and in a form provided by the ~~board~~  
20 COMMISSION. The contract shall provide for the following:

21 1. The loan recipient shall begin the service commitment providing  
22 instruction in the area of mathematics, science or special education in a  
23 public school in this state or in elementary education in a public school  
24 that is located in a geographic area in this state that is experiencing a  
25 shortage of teachers, as determined by the state board of education, within  
26 one calendar year after attaining a bachelor's degree at an ~~accredited~~  
27 ~~university in this state~~ A QUALIFYING POSTSECONDARY INSTITUTION. The service  
28 commitment shall be full-time as determined by the ~~Arizona board of regents~~  
29 COMMISSION and requires one year of service for each year of loan support  
30 plus one additional year of service.

31 2. If the loan recipient engages in postgraduate studies without a  
32 lapse of more than one calendar year following the completion of the loan  
33 recipient's bachelor's degree at an ~~accredited university in this state~~ A  
34 QUALIFYING POSTSECONDARY INSTITUTION, the loan recipient shall begin the  
35 service commitment required under paragraph 1 within one calendar year after  
36 completing postgraduate studies.

37 3. If the loan recipient is inducted into military service, or for any  
38 other cause beyond the loan recipient's control deemed sufficient by the  
39 ~~board~~ COMMISSION is unable to begin the service commitment required under  
40 paragraph 1 within one calendar year after completing a bachelor's degree and  
41 any graduate studies, the loan recipient shall begin the service commitment  
42 required under paragraph 1 within one calendar year after completing the  
43 required military service or the termination of any other cause.

44 4. If the loan recipient fulfills the service commitment required  
45 under paragraph 1 in a public school in this state or while completing

1 military service resulting from induction, the loan recipient's indebtedness  
2 to this state may be discharged in one of the following ways:

3 (a) One year of full-time service required under paragraph 1 for each  
4 year of loan support plus one additional year of service.

5 (b) Repayment to this state of the total loan amount for each year of  
6 support with interest at the rate prescribed in subsection C.

7 5. If the loan recipient fails to complete the required course of  
8 study, if the course of study is interrupted by one academic year or more for  
9 a cause or causes not resulting from induction into military service or any  
10 other cause beyond the loan recipient's control deemed sufficient by the  
11 ~~board~~ COMMISSION or if the loan recipient fails to fully discharge the  
12 service commitment required under paragraph 1, except for delays resulting  
13 from an excusable cause as prescribed in this section, the amount of the loan  
14 not repaid or fully discharged shall be due and payable with interest at the  
15 rate prescribed in subsection C. The ~~board~~ COMMISSION may extend the time of  
16 payment over a period not exceeding fifteen years and shall not require  
17 payment of interest during the existence of any excusable cause as prescribed  
18 in this section.

19 6. If the loan recipient does not begin the service commitment  
20 required under paragraph 1 within the time prescribed in this section but  
21 paid an agreed part of the loan, the ~~board~~ COMMISSION may allow the loan  
22 recipient to discharge the balance of the obligation by subsequent teaching  
23 in this state.

24 7. If the loan recipient dies during the period of the loan  
25 recipient's education or practice as a teacher, the loan recipient's  
26 obligation to this state under this article ceases.

27 8. The loan recipient may choose at any time to provide a different  
28 category of service commitment prescribed in paragraph 1 without violating  
29 the contract, unless the contract requires the loan recipient to provide  
30 instruction in the area of mathematics or science.

31 9. If the loan recipient begins the service commitment required under  
32 paragraph 1 in a geographic area in this state that is experiencing a  
33 shortage of teachers, as determined by the state board of education, but the  
34 state board of education subsequently determines that geographic area is no  
35 longer experiencing a shortage of teachers, the loan recipient may discharge  
36 the balance of the obligation by completing the service commitment in the  
37 geographic area where the loan recipient began the service commitment.

38 C. The loan recipient shall repay the full amount borrowed at an  
39 interest rate of at least seven per cent.

40 D. On receipt of supporting documentation, the ~~board~~ COMMISSION for  
41 good cause shown may defer the loan recipient's service commitment or  
42 repayment obligation or may enter into repayment arrangements with the loan  
43 recipient or allow service that is equivalent to full-time service if the  
44 ~~board~~ COMMISSION determines that this action is justified after a review of  
45 the individual's circumstances. At the discretion of the ~~board~~ COMMISSION,

1 the ~~board~~ COMMISSION may allow service by teaching in another area of  
2 recognized need in this state that is not specified in the QUALIFIED  
3 student's contract, but only following prior written approval by the ~~board~~  
4 COMMISSION.

5 E. The attorney general may commence whatever actions are necessary to  
6 enforce the contract and achieve repayment of loans provided by the ~~board~~  
7 COMMISSION pursuant to this article.

8 Sec. 28. Repeal

9 Section 15-1783, Arizona Revised Statutes, as amended by Laws 2010,  
10 chapter 332, section 22, is repealed.

11 Sec. 29. Section 26-263, Arizona Revised Statutes, as amended by Laws  
12 2010, chapter 208, section 4, is amended to read:

13 26-263. Appropriations; purposes; exemption

14 A. The sum of \$90,000 and 1 FTE is appropriated from the state general  
15 fund in fiscal years 2004-2005 and 2005-2006 and each year thereafter to the  
16 department of emergency and military affairs.

17 B. The sum of \$85,000 is appropriated from the state general fund in  
18 fiscal years 2004-2005 and 2005-2006 and each year thereafter to the attorney  
19 general's office for implementation of ~~sections~~ SECTION 9-461.06, ~~11-806,~~  
20 ~~11-824~~ TITLE 11, CHAPTER 6, ARTICLE 1 and SECTION 28-8481.

21 C. For fiscal years 2004-2005 and 2005-2006 and each year thereafter,  
22 the sum of \$4,825,000 is appropriated from the state general fund to the  
23 military installation fund established by, and for the purposes prescribed  
24 by, section 26-262.

25 D. The appropriations made in this section are exempt from the  
26 provisions of section 35-190 relating to lapsing of appropriations.

27 Sec. 30. Repeal

28 Section 26-263, Arizona Revised Statutes, as amended by Laws 2010,  
29 chapter 244, section 30, is repealed.

30 Sec. 31. Section 32-2183, Arizona Revised Statutes, as amended by Laws  
31 2010, chapter 144, section 2, is amended to read:

32 32-2183. Subdivision public reports; denial of issuance;  
33 unlawful sales; voidable sale or lease; order  
34 prohibiting sale or lease; investigations; hearings;  
35 summary orders

36 A. Upon examination of a subdivision, the commissioner, unless there  
37 are grounds for denial, shall issue to the subdivider a public report  
38 authorizing the sale or lease in this state of the lots, parcels or  
39 fractional interests within the subdivision. The report shall contain the  
40 data obtained in accordance with section 32-2181 and any other information  
41 which the commissioner determines is necessary to implement the purposes of  
42 this article. If any of the lots, parcels or fractional interests within the  
43 subdivision are located within territory in the vicinity of a military  
44 airport or ancillary military facility as defined in section 28-8461, under a  
45 military training route as delineated in the military training route map

1 prepared pursuant to section 37-102, under restricted air space as delineated  
2 in the restricted air space map prepared pursuant to section 37-102 or  
3 contained in the military electronics range as delineated in the military  
4 electronics range map prepared pursuant to section 37-102, the report shall  
5 include, in bold twelve point font block letters on the first page of the  
6 report, the statements required pursuant to section 28-8484, subsection A,  
7 section 32-2183.05 or section 32-2183.06 and, if the department has been  
8 provided a map prepared pursuant to section 28-8484, subsection B or section  
9 37-102, the report shall include a copy of the map. The military airport  
10 report requirements do not require the amendment or reissuance of any public  
11 report issued on or before December 31, 2001 or on or before December 31 of  
12 the year in which the lots, parcels or fractional interests within a  
13 subdivision become territory in the vicinity of a military airport or  
14 ancillary military facility. The military training route report requirements  
15 do not require the amendment or reissuance of any public report issued on or  
16 before December 31, 2004. The restricted air space report requirements do  
17 not require the amendment or reissuance of any public report issued on or  
18 before December 31, 2006. The military electronics range report requirements  
19 do not require the amendment or reissuance of any public report issued on or  
20 before December 31, 2008. The commissioner shall require the subdivider to  
21 reproduce the report, make the report available to each prospective customer  
22 and furnish each buyer or lessee with a copy before the buyer or lessee signs  
23 any offer to purchase or lease, taking a receipt therefor.

24 B. This section shall not be construed to require a public report  
25 issued sixty or fewer days prior to the filing of the military electronics  
26 range map prepared pursuant to section 37-102 to meet the military  
27 electronics range notification requirements of this section.

28 C. A public report issued sixty-one or more days after the filing of  
29 the military electronics range map prepared pursuant to section 37-102 shall  
30 meet all of the requirements of subsection A of this section.

31 D. Notwithstanding subsection A of this section, a subdivider may  
32 elect to prepare a final public report for use in the sale of improved lots  
33 as defined in section 32-2101, as follows:

34 1. The subdivider shall prepare the public report and provide a copy  
35 of the report to the commissioner with the submission of the notification  
36 required by sections 32-2181 and 32-2184 and shall comply with all other  
37 requirements of this article.

38 2. An initial filing fee of five hundred dollars or an amended filing  
39 fee of two hundred fifty dollars shall accompany the notification required by  
40 paragraph 1 of this subsection.

41 3. The department shall assign a registration number to each  
42 notification and public report submitted pursuant to this subsection and  
43 shall maintain a database of all of these submissions. The subdivider shall  
44 place the number on each public report.

1           4. On receipt of the notification and public report, the department  
2 shall review and issue within ten business days either a certification that  
3 the notification and public report are administratively complete or a denial  
4 letter if it appears that the application or project is not in compliance  
5 with all legal requirements, that the applicant has a background of  
6 violations of state or federal law or that the applicant or project presents  
7 an unnecessary risk of harm to the public. If the commissioner has received  
8 the notification and public report but has not issued a certification or a  
9 denial letter within ten business days pursuant to this paragraph, the  
10 notification and public report are administratively complete.

11           5. A subdivider may commence sales or leasing activities as permitted  
12 under this article after obtaining a certificate of administrative  
13 completeness from the commissioner.

14           6. Before or after the commissioner issues a certificate of  
15 administrative completeness or, if applicable, after the notification and  
16 public report are deemed to be administratively complete pursuant to  
17 paragraph 4 of this subsection, the department may examine any public report,  
18 subdivision or applicant that has applied for or received the certificate.  
19 If the commissioner determines that the subdivider or subdivision is not in  
20 compliance with any requirement of state law or that grounds exist under this  
21 chapter to suspend, deny or revoke a public report, the commissioner may  
22 commence an administrative action under section 32-2154 or 32-2157. If the  
23 subdivider immediately corrects the deficiency and comes into full compliance  
24 with state law, the commissioner shall vacate any action that the  
25 commissioner may have commenced pursuant to section 32-2154 or 32-2157.

26           7. The department shall provide forms and guidelines for the  
27 submission of the notification and public report pursuant to this section.

28           E. The commissioner may suspend, revoke or deny issuance of a public  
29 report on any of the following grounds:

30           1. Failure to comply with this article or the rules of the  
31 commissioner pertaining to this article.

32           2. The sale or lease would constitute misrepresentation to or deceit  
33 or fraud of the purchasers or lessees.

34           3. Inability to deliver title or other interest contracted for.

35           4. Inability to demonstrate that adequate financial or other  
36 arrangements acceptable to the commissioner have been made for completion of  
37 all streets, sewers, electric, gas and water utilities, drainage and flood  
38 control facilities, community and recreational facilities and other  
39 improvements included in the offering.

40           5. Failure to make a showing that the lots, parcels or fractional  
41 interests can be used for the purpose for which they are offered.

42           6. The owner, agent, subdivider, officer, director or partner,  
43 subdivider trust beneficiary holding ten per cent or more direct or indirect  
44 beneficial interest or, if a corporation, any stockholder owning ten per cent  
45 or more of the stock in the corporation has:

1 (a) Been convicted of a felony or misdemeanor involving fraud or  
2 dishonesty or involving conduct of any business or a transaction in real  
3 estate, cemetery property, time-share intervals or membership camping  
4 campgrounds or contracts.

5 (b) Been permanently or temporarily enjoined by order, judgment or  
6 decree from engaging in or continuing any conduct or practice in connection  
7 with the sale or purchase of real estate or cemetery property, time-share  
8 intervals, membership camping contracts or campgrounds, or securities or  
9 involving consumer fraud or the racketeering laws of this state.

10 (c) Had an administrative order entered against him by a real estate  
11 regulatory agency or security regulatory agency.

12 (d) Had an adverse decision or judgment entered against him involving  
13 fraud or dishonesty or involving the conduct of any business or transaction  
14 in real estate, cemetery property, time-share intervals or membership camping  
15 campgrounds or contracts.

16 (e) Disregarded or violated this chapter or the rules of the  
17 commissioner pertaining to this chapter.

18 (f) Controlled an entity to which subdivision (b), (c), (d) or (e)  
19 applies.

20 7. Procurement or an attempt to procure a public report by fraud,  
21 misrepresentation or deceit or by filing an application for a public report  
22 that is materially false or misleading.

23 8. Failure of the declaration for a condominium created pursuant to  
24 title 33, chapter 9, article 2 to comply with the requirements of section  
25 33-1215 or failure of the plat for the condominium to comply with the  
26 requirements of section 33-1219. The commissioner may require an applicant  
27 for a public report to submit a notarized statement signed by the subdivider  
28 or an engineer or attorney licensed to practice in this state certifying that  
29 the condominium plat and declaration of condominium are in compliance with  
30 the requirements of sections 33-1215 and 33-1219. If the notarized statement  
31 is provided, the commissioner is entitled to rely on this statement.

32 9. Failure of any blanket encumbrance or valid supplementary agreement  
33 executed by the holder of the blanket encumbrance to contain provisions that  
34 enable the purchaser to acquire title to a lot or parcel free of the lien of  
35 the blanket encumbrance, on completion of all payments and performance of all  
36 of the terms and provisions required to be made or performed by the purchaser  
37 under the real estate sales contract by which the purchaser has acquired the  
38 lot or parcel. The subdivider shall file copies of documents acceptable to  
39 the commissioner containing these provisions with the commissioner before the  
40 sale of any subdivision lot or parcel subject to a blanket encumbrance.

41 10. Failure to demonstrate permanent access to the subdivision lots or  
42 parcels.

43 11. The use of the lots presents an unreasonable health risk.

1 F. It is unlawful for a subdivider to sell any lot in a subdivision  
2 unless one of the following occurs:

3 1. All proposed or promised subdivision improvements are completed.

4 2. The completion of all proposed or promised subdivision improvements  
5 is assured by financial arrangements acceptable to the commissioner. The  
6 financial arrangements may be made in phases for common community and  
7 recreation facilities required by a municipality or county as a stipulation  
8 for approval of a plan for a master planned community.

9 3. The municipal or county government agrees to prohibit occupancy and  
10 the subdivider agrees not to close escrow for lots in the subdivision until  
11 all proposed or promised subdivision improvements are completed.

12 4. The municipal or county government enters into an assurance  
13 agreement with any trustee not to convey lots until improvements are  
14 completed within the portion of the subdivision containing these lots, if the  
15 improvements can be used and maintained separately from the improvements  
16 required for the entire subdivision plat. The agreement shall be recorded in  
17 the county in which the subdivision is located.

18 G. If the subdivision is within an active management area, as defined  
19 in section 45-402, the commissioner shall deny issuance of a public report or  
20 the use of any exemption pursuant to section 32-2181.02, subsection B unless  
21 the subdivider has been issued a certificate of assured water supply by the  
22 director of water resources and has paid all applicable fees pursuant to  
23 sections 48-3772 and 48-3774.01, or unless the subdivider has obtained a  
24 written commitment of water service for the subdivision from a city, town or  
25 private water company designated as having an assured water supply by the  
26 director of water resources pursuant to section 45-576 or is exempt from the  
27 requirement pursuant to section 45-576.

28 H. In areas outside of active management areas, if the subdivision is  
29 located in a county that has adopted the provision authorized by section  
30 ~~11-806.01, subsection F~~ 11-823, SUBSECTION A or in a city or town that has  
31 enacted an ordinance pursuant to section 9-463.01, subsection O, the  
32 commissioner shall deny issuance of a public report or the use of any  
33 exemption pursuant to section 32-2181.02, subsection B unless one of the  
34 following applies:

35 1. The director of water resources has reported pursuant to section  
36 45-108 that the subdivision has an adequate water supply.

37 2. The subdivider has obtained a written commitment of water service  
38 for the subdivision from a city, town or private water company designated as  
39 having an adequate water supply by the director of water resources pursuant  
40 to section 45-108.

41 3. The plat was approved pursuant to an exemption authorized by  
42 section 9-463.01, subsection K, pursuant to an exemption authorized by  
43 section ~~11-806.01, subsection G~~ 11-823, SUBSECTION B, paragraph 1, pursuant  
44 to an exemption granted by the director of water resources under section



1 45-108.02 and the exemption has not expired or pursuant to an exemption  
2 granted by the director of water resources under section 45-108.03.

3 4. The subdivision received final plat approval from the city, town or  
4 county before the requirement for an adequate water supply became effective  
5 in the city, town or county, and there have been no material changes to the  
6 plat since the final plat approval. If changes were made to the plat after  
7 the final plat approval, the director of water resources shall determine  
8 whether the changes are material pursuant to the rules adopted by the  
9 director to implement section 45-108.

10 I. A subdivider shall not sell or lease or offer for sale or lease in  
11 this state any lots, parcels or fractional interests in a subdivision without  
12 first obtaining a public report from the commissioner except as provided in  
13 section 32-2181.01 or 32-2181.02. Unless exempt, the sale or lease of  
14 subdivided lands prior to issuance of the public report or failure to deliver  
15 the public report to the purchaser or lessee shall render the sale or lease  
16 rescindable by the purchaser or lessee. An action by the purchaser or lessee  
17 to rescind the transaction shall be brought within three years of the date of  
18 execution of the purchase or lease agreement by the purchaser or lessee. In  
19 any rescission action, the prevailing party is entitled to reasonable  
20 attorney fees as determined by the court.

21 J. On a print advertisement in a magazine or newspaper or on an  
22 internet advertisement that advertises a specific lot or parcel of a  
23 subdivider, the subdivider shall include a disclosure stating that "a public  
24 report is available on the state real estate department's website".

25 K. Any applicant objecting to the denial of a public report, within  
26 thirty days after receipt of the order of denial, may file a written request  
27 for a hearing. The commissioner shall hold the hearing within twenty days  
28 after receipt of the request for a hearing unless the party requesting the  
29 hearing has requested a postponement. If the hearing is not held within  
30 twenty days after a request for a hearing is received, plus the period of any  
31 postponement, or if a proposed decision is not rendered within forty-five  
32 days after submission, the order of denial shall be rescinded and a public  
33 report issued.

34 L. On the commissioner's own motion, or when the commissioner has  
35 received a complaint and has satisfactory evidence that the subdivider or the  
36 subdivider's agent is violating this article or the rules of the commissioner  
37 or has engaged in any unlawful practice as defined in section 44-1522 with  
38 respect to the sale of subdivided lands or deviated from the provisions of  
39 the public report, the commissioner may investigate the subdivision project  
40 and examine the books and records of the subdivider. For the purpose of  
41 examination, the subdivider shall keep and maintain records of all sales  
42 transactions and funds received by the subdivider pursuant to the sales  
43 transactions and shall make them accessible to the commissioner upon  
44 reasonable notice and demand.

1 M. On the commissioner's own motion, or when the commissioner has  
2 received a complaint and has satisfactory evidence that any person has  
3 violated this article or the rules of the commissioner or has engaged in any  
4 unlawful practice as defined in section 44-1522 with respect to the sale of  
5 subdivided lands or deviated from the provisions of the public report or  
6 special order of exemption, or has been indicted for fraud or against whom an  
7 information for fraud has been filed or has been convicted of a felony,  
8 before or after the commissioner issues the public report as provided in  
9 subsection A of this section, the commissioner may conduct an investigation  
10 of the matter, issue a summary order as provided in section 32-2157, or hold  
11 a public hearing and, after the hearing, may issue the order or orders the  
12 commissioner deems necessary to protect the public interest and ensure  
13 compliance with the law, rules or public report or the commissioner may bring  
14 action in any court of competent jurisdiction against the person to enjoin  
15 the person from continuing the violation or engaging in or doing any act or  
16 acts in furtherance of the violation. The court may make orders or  
17 judgments, including the appointment of a receiver, necessary to prevent the  
18 use or employment by a person of any unlawful practices, or which may be  
19 necessary to restore to any person in interest any monies or property, real  
20 or personal, that may have been acquired by means of any practice in this  
21 article declared to be unlawful.

22 N. When it appears to the commissioner that a person has engaged in or  
23 is engaging in a practice declared to be unlawful by this article and that  
24 the person is concealing assets or self or has made arrangements to conceal  
25 assets or is about to leave the state, the commissioner may apply to the  
26 superior court, ex parte, for an order appointing a receiver of the assets of  
27 the person or for a writ of ne exeat, or both.

28 O. The court, on receipt of an application for the appointment of a  
29 receiver or for a writ of ne exeat, or both, shall examine the verified  
30 application of the commissioner and other evidence that the commissioner may  
31 present the court. If satisfied that the interests of the public require the  
32 appointment of a receiver or the issuance of a writ of ne exeat without  
33 notice, the court shall issue an order appointing the receiver or issue the  
34 writ, or both. If the court determines that the interests of the public will  
35 not be harmed by the giving of notice, the court shall set a time for a  
36 hearing and require notice be given as the court deems satisfactory.

37 P. If the court appoints a receiver without notice, the court shall  
38 further direct that a copy of the order appointing a receiver be served on  
39 the person engaged in or engaging in a practice declared to be unlawful under  
40 this article by delivering the order to the last address of the person that  
41 is on file with the state real estate department. The order shall inform the  
42 person that the person has the right to request a hearing within ten days of  
43 the date of the order and, if requested, the hearing shall be held within  
44 thirty days from the date of the order.

1       Sec. 32. Repeal

2       Section 32-2183, Arizona Revised Statutes, as amended by Laws 2010,  
3 chapter 244, section 19, is repealed.

4       Sec. 33. Repeal

5       Section 34-201, Arizona Revised Statutes, as amended by Laws 2010,  
6 chapter 117, section 12, is repealed.

7       Sec. 34. Section 37-132, Arizona Revised Statutes, as amended by Laws  
8 2010, chapter 243, section 6, is amended to read:

9       37-132. Powers and duties

10      A. The commissioner shall:

11      1. Exercise and perform all powers and duties vested in or imposed  
12 upon the department, and prescribe such rules as are necessary to discharge  
13 those duties.

14      2. Exercise the powers of surveyor-general except for the powers of  
15 the surveyor-general exercised by the treasurer as a member of the selection  
16 board pursuant to section 37-202.

17      3. Make long-range plans for the future use of state lands in  
18 cooperation with other state agencies, local planning authorities and  
19 political subdivisions.

20      4. Promote the infill and orderly development of state lands in areas  
21 beneficial to the trust and prevent urban sprawl or leapfrog development on  
22 state lands.

23      5. Classify and appraise all state lands, together with the  
24 improvements on state lands, for the purpose of sale, lease or grant of  
25 rights-of-way. The commissioner may impose such conditions and covenants and  
26 make such reservations in the sale of state lands as the commissioner deems  
27 to be in the best interest of the state trust. The provisions of this  
28 paragraph are subject to hearing procedures pursuant to title 41, chapter 6,  
29 article 10 and, except as provided in section 41-1092.08, subsection H, are  
30 subject to judicial review pursuant to title 12, chapter 7, article 6.

31      6. Have authority to lease for grazing, agricultural, homesite or  
32 other purposes, except commercial, all land owned or held in trust by the  
33 state.

34      7. Have authority to lease for commercial purposes and sell all land  
35 owned or held in trust by the state, but any such lease for commercial  
36 purposes or any such sale shall first be approved by the board of appeals.

37      8. Except as otherwise provided, determine all disputes, grievances or  
38 other questions pertaining to the administration of state lands.

39      9. Appoint deputies and other assistants and employees necessary to  
40 perform the duties of the department, assign their duties, and require of  
41 them such surety bonds as the commissioner deems proper. The compensation of  
42 the deputy, assistants or employees shall be as determined pursuant to  
43 section 38-611.

44      10. Make a written report to the governor annually, not later than  
45 September 1, disclosing in detail the activities of the department for the

preceding fiscal year, and publish it for distribution. The report shall include an evaluation of auctions of state land leases held during the preceding fiscal year considering the advantages and disadvantages to the state trust of the existence and exercise of preferred rights to lease reclassified state land.

11. Withdraw state land from surface or subsurface sales or lease applications if the commissioner deems it to be in the best interest of the trust. This closure of state lands to new applications for sale or lease does not affect the rights which THAT existing lessees have under law for renewal of their leases and reimbursement for improvements.

B. The commissioner may:

1. Take evidence relating to, and may require of the various county officers information on, any matter that the commissioner has the power to investigate or determine.

2. Under such rules as the commissioner adopts, use private real estate brokers to assist in any sale or long-term lease of state land and pay, from fees collected under section 37-107, subsection B, paragraph 1, a commission to a broker that is licensed pursuant to title 32, chapter 20 and that provides the purchaser or lessee at auction. The purchaser or lessee at auction is not eligible to receive a commission pursuant to this subsection. A commission shall not be paid on a sale or a long-term lease if the purchaser or lessee is a political subdivision of this state.

3. Require a permittee, lessee or grantee to post a surety bond or any form of collateral deemed sufficient by the commissioner for performance or restoration purposes. The commissioner shall use the proceeds of a bond or collateral only for the purposes determined at the time the bond or collateral is posted. For agricultural lessees, the commissioner may require collateral as follows:

(a) As security for payment of the annual assessments levied by the irrigation district in which the state land is located if the lessee has a history of late payments or defaults. The amount of the collateral required shall not exceed the annual assessment levied by the irrigation district.

(b) As security for payment of rent, if an extension of time for payment is requested or if the lessee has a history of late payments of rent. The collateral shall be submitted at the time any extension of time for payment is requested. The amount of the collateral required shall not exceed the annual amount of rent for the land.

(c) A surety bond shall be required only if the commissioner determines that other forms of collateral are insufficient.

4. Withhold market and economic analyses, preliminary engineering, site and area studies and appraisals that are collected during the urban planning process from public viewing before they are submitted to local planning and zoning authorities.

5. Withhold from public inspection proprietary information received during lease negotiations. The proprietary information shall be released to

1 public inspection unless the release may harm the competitive position of the  
2 applicant and the information could not have been obtained by other  
3 legitimate means.

4 6. Issue permits for short-term use of state land for specific  
5 purposes as prescribed by rule.

6 7. Contract with a third party to sell recreational permits. A third  
7 party under contract pursuant to this paragraph may assess a surcharge for  
8 its services as provided in the contract, in addition to the fees prescribed  
9 pursuant to section 37-107.

10 8. Close urban lands to specific uses as prescribed by rule if  
11 necessary for dust abatement, to reduce a risk from hazardous environmental  
12 conditions that pose a risk to human health or safety or for remediation  
13 purposes.

14 9. Notwithstanding subsection A, paragraph 4 of this section,  
15 authorize, in the best interest of the trust, the extension of public  
16 services and facilities either:

17 (a) That are necessary to implement plans of the local governing body,  
18 including plans adopted or amended pursuant to section 9-461.06 or ~~11-824~~  
19 ~~11-805~~.

20 (b) Across state lands that are either:

21 (i) Classified as suitable for conservation pursuant to section  
22 37-312.

23 (ii) Sold or leased at auction for conservation purposes.

24 C. The commissioner or any deputy or employee of the department shall  
25 not have, own or acquire, directly or indirectly, any state lands or the  
26 products on any state lands, any interest in or to such lands or products, or  
27 improvements on leased state lands, or be interested in any state irrigation  
28 project affecting state lands.

29 Sec. 35. Repeal

30 Section 37-132, Arizona Revised Statutes, as amended by Laws 2010,  
31 chapter 244, section 27, is repealed.

32 Sec. 36. Retroactive application

33 Sections 4, 5, 6, 7, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22,  
34 23, 24, 25, 26, 27 and 28 apply retroactively to from and after June 30,  
35 2011.

36 Sec. 37. Effective date

37 A. Sections 8 and 9 of this act are effective from and after August  
38 31, 2011.

39 B. Sections 2, 3, 29, 30, 31, 32, 34 and 35 of this act are effective  
40 from and after September 30, 2011.

APPROVED BY THE GOVERNOR APRIL 25, 2011.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 25, 2011.

Passed the House April 13, 20 11,

Passed the Senate March 3, 20 11,

by the following vote: 55 Ayes,

by the following vote: 26 Ayes,

3 Nays, 2 Not Voting

2 Nays, 4 Not Voting

[Signature]  
Speaker of the House

[Signature]  
President of the Senate

Cheryl Laube  
Chief Clerk of the House

Charmian Billington  
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill was received by the Governor this

\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_,

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary to the Governor

Approved this \_\_\_\_\_ day of

\_\_\_\_\_, 20\_\_\_\_,

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Governor of Arizona

S.B. 1419

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_,

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary of State

SENATE CONCURS IN HOUSE  
AMENDMENTS AND FINAL PASSAGE

Passed the Senate April 14, 20 11

by the following vote: 29 Ayes,

0 Nays, 1 Not Voting

[Signature]  
President of the Senate

[Signature]  
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill received by the Governor this

15 day of April, 20 11

at 8:50 o'clock A. M.

[Signature]  
Secretary to the Governor

Approved this 25<sup>th</sup> day of

April

at 12:35 o'clock P. M.

[Signature]  
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this 25<sup>th</sup> day of April, 20 11

S.B. 1419

at 2:45 o'clock P. M.

[Signature]  
Secretary of State